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**State:** District of Columbia **Filing Company:** CareFirst BlueChoice, Inc.  
**TOI/Sub-TOI:** HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO  
**Product Name:** 2342 - DC ACA Individual BlueChoice  
**Project Name/Number:** 2342 - DC BC IND64- ACA ON-EXCHANGE/2342

## Filing at a Glance

Company: CareFirst BlueChoice, Inc.  
Product Name: 2342 - DC ACA Individual BlueChoice  
State: District of Columbia  
TOI: HOrg02I Individual Health Organizations - Health Maintenance (HMO)  
Sub-TOI: HOrg02I.005D Individual - HMO  
Filing Type: Rate  
Date Submitted: 05/24/2019  
SERFF Tr Num: CFAP-131941478  
SERFF Status: Assigned  
State Tr Num:  
State Status:  
Co Tr Num: 2342  
  
Implementation: 01/01/2020  
Date Requested:  
Author(s): Dwayne Lucado, Anna Guloy, Shane Kontir, Cory Bream, Patrick Getts, Hassan Zaheer, Nicholas Pham  
  
Reviewer(s): Damon Siler (primary), Efren Tanhehco, John Morgan, Dave Dillon  
Disposition Date:  
Disposition Status:  
Implementation Date:  
  
State Filing Description:

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|                             |  |                        |                            |
|-----------------------------|--|------------------------|----------------------------|
| <b>State:</b>               | District of Columbia   | <b>Filing Company:</b> | CareFirst BlueChoice, Inc. |
| <b>TOI/Sub-TOI:</b>         | HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO |                        |                            |
| <b>Product Name:</b>        | 2342 - DC ACA Individual BlueChoice  |                        |                            |
| <b>Project Name/Number:</b> | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                        |                            |

## General Information

Project Name: 2342 - DC BC IND64- ACA ON-EXCHANGE

Project Number: 2342

Requested Filing Mode: Review &amp; Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 7.7%

Deemer Date:

Submitted By: Shane Kontir

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type: Individual

Filing Status Changed: 05/28/2019

State Status Changed:

Created By: Shane Kontir

Corresponding Filing Tracking Number:

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Include Exchange Intentions:

No

Filing Description:

This filing contains the rate proposal for the portfolio of benefits to be offered by CareFirst BlueChoice, Inc. to Individuals Under 65 on the D.C. Exchange. We are submitting 7 benefit plans on the D.C. Exchange. This rate filing contains 2 sets of rates, 1 based on separate risk adjustment and the other combined risk adjustment. The numbers shown in SERFF are based on separate risk adjustment, as both cannot be entered. All documents with combined risk adjustment numbers end in "COMB RA".

## Company and Contact

### Filing Contact Information

Cory Bream, Actuarial Assistant

10455 Mill Run Circle

Owings Mills, MD 21117

cory.bream@carefirst.com

410-998-5308 [Phone]

410-998-7704 [FAX]

### Filing Company Information

CareFirst BlueChoice, Inc.

840 First Street NE

Washington, DC 20065

(410) 581-3000 ext. [Phone]

CoCode: 96202

Group Code:

Group Name:

FEIN Number: 52-1358219

State of Domicile: District of

Columbia

Company Type: Health

Maintenance Organization

State ID Number:

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## Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

|                             |  |                        |                            |
|-----------------------------|--|------------------------|----------------------------|
| <b>State:</b>               | District of Columbia   | <b>Filing Company:</b> | CareFirst BlueChoice, Inc. |
| <b>TOI/Sub-TOI:</b>         | HOrg021 Individual Health Organizations - Health Maintenance (HMO)/HOrg021.005D Individual - HMO |                        |                            |
| <b>Product Name:</b>        | 2342 - DC ACA Individual BlueChoice  |                        |                            |
| <b>Project Name/Number:</b> | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                        |                            |

## Rate Information

Rate data applies to filing.

|  |                |
|--|----------------|
| <b>Filing Method:</b>                            | SERFF          |
| <b>Rate Change Type:</b>                         | Increase       |
| <b>Overall Percentage of Last Rate Revision:</b> | 10.400%        |
| <b>Effective Date of Last Rate Revision:</b>     | 01/01/2019     |
| <b>Filing Method of Last Filing:</b>             | SERFF          |
| <b>SERFF Tracking Number of Last Filing:</b>     | CFAP-131468242 |

## Company Rate Information

| Company Name:              | Company Rate Change: | Overall % Indicated Change: | Overall % Rate Impact: | Written Premium Change for this Program: | Number of Policy Holders Affected for this Program: | Written Premium for this Program: | Maximum % Change (where req'd): | Minimum % Change (where req'd): |
|----------------------------|----------------------|-----------------------------|------------------------|--|---|-----------------------------------|---------------------------------|---------------------------------|
| CareFirst BlueChoice, Inc. | Increase             | 7.700%                      | 7.700%                 | \$1,545,725                              | 3,659   | \$20,090,756                      | 10.900%                         | 4.400%                          |

**State:** District of Columbia **Filing Company:** CareFirst BlueChoice, Inc.  
**TOI/Sub-TOI:** HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO  
**Product Name:** 2342 - DC ACA Individual BlueChoice  
**Project Name/Number:** 2342 - DC BC IND64- ACA ON-EXCHANGE/2342

## Rate Review Detail

### COMPANY:

Company Name: CareFirst BlueChoice, Inc.  
HHS Issuer Id: 86052

### PRODUCTS:

| Product Name   | HIOS Product ID | HIOS Submission ID | Number of Covered Lives |
|----------------|-----------------|--------------------|-------------------------|
| BlueChoice HMO | 86052DC040      |                    | 4359                    |

Trend Factors:

### FORMS:

New Policy Forms: DC/CFBC/CD/AUTH AMEND/HMO (1/20), DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20), DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20), DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20), DC/CFBC/EXC/HMO STD/GOLD 500 (1/20), DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20), DC/CFBC/EXC/HMO STD/PLAT 0 (1/20), DC/CFBC/EXC/HMO STD/SIL 4000 (1/20), DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20), DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20), DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20), DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20), DC/CFBC/EXC/HMO/DOCS (R. 1/20), DC/CFBC/EXC/HMO/IEA (R. 1/20), DC/CFBC/EXC/HMO/NATAMER SOB (1/20)

Affected Forms:

Other Affected Forms: DC/CFBC/DOL APPEAL (R. 1/17), DC/CFBC/EXC/NATAMER (1/14), DC/CFBC/MEM/BLCRD (R. 6/18), DC/CFBC/PT PROTECT (9/10)

### REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual  
Member Months: 55,931  
Benefit Change: Increase  
Percent Change Requested: Min: 4.4 Max: 10.9 Avg: 7.7

### PRIOR RATE:

Total Earned Premium: 20,090,756.00  
Total Incurred Claims: 16,297,137.00  
Annual \$: Min: 161.03 Max: 594.93 Avg: 347.95

### REQUESTED RATE:

Projected Earned Premium: 21,884,165.00  
Projected Incurred Claims: 16,761,168.00  
Annual \$: Min: 168.04 Max: 659.80 Avg: 375.87

State: District of Columbia

Filing Company:

CareFirst BlueChoice, Inc.

TOI/Sub-TOI: HOrg021 Individual Health Organizations - Health Maintenance (HMO)/HOrg021.005D Individual - HMO

Product Name: 2342 - DC ACA Individual BlueChoice

Project Name/Number: 2342 - DC BC IND64- ACA ON-EXCHANGE/2342

## Rate/Rule Schedule

| Item No. | Schedule Item Status | Document Name                            | Affected Form Numbers (Separated with commas)   | Rate Action | Rate Action Information  | Attachments  |
|----------|----------------------|--|---|-------------|--|--|
| 1        |                      | 2342 - DC BlueChoice - Ind - Rate Sheets | DC/CFBC/DOL APPEAL (R. 1/17),<br>DC/CFBC/EXC/NATAMER (1/14), DC/CFBC/MEM/BLCRD (R. 6/18), DC/CFBC/PT PROTECT (9/10),<br>DC/CFBC/CD/AUTH AMEND/HMO (1/20),<br>DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20),<br>DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20),<br>DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20),<br>DC/CFBC/EXC/HMO STD/GOLD 500 (1/20),<br>DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20),<br>DC/CFBC/EXC/HMO STD/PLAT 0 (1/20),<br>DC/CFBC/EXC/HMO STD/SIL 4000 (1/20),<br>DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20),<br>DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20),<br>DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20),<br>DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20),<br>DC/CFBC/EXC/HMO/DOCS (R. 1/20),<br>DC/CFBC/EXC/HMO/IEA (R. 1/20),<br>DC/CFBC/EXC/HMO/NATAME R SOB (1/20) | Revised     | Previous State Filing Number: CFAP-131468242<br>Percent Rate Change Request: 7.7 | 2342 - DC BlueChoice - Ind - Rate Sheets.pdf,<br>2342 - DC BlueChoice - Ind - Rate Sheets - COMB RA.pdf, |

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)  
Rate Filing # 2342**

**D.C. Individual Products  
Rates Effective 1/1/2020**

**Rates & Factors**

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rates & Factors  
Table of Contents**  
**Rates Effective 1/1/2020**

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| BlueChoice HMO Standard Bronze \$7,250     | 6  |
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| BlueChoice HMO HSA Gold \$1,500            | 10 |
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**BlueChoice Inc.**  
**d.b.a. CareFirst BlueCross BlueShield**  
**(NAIC # 96202)**  
**D.C. Individual Products**  
**Rates Effective 1/1/2020**  
**Form Numbers**

**Form Numbers Associated With This ACA Filing:**

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**BlueChoice HMO Standard Plans**

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

**BlueChoice HMO Young Adult**

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DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)



**BlueChoice Inc.**  
**D.C. Individual Products, Rates Effective 1/1/2020**

**Age Factors**

| <b>Age</b> | <b>Factor</b> |
|------------|---------------|
| 0-20       | 0.654         |
| 21         | 0.727         |
| 22         | 0.727         |
| 23         | 0.727         |
| 24         | 0.727         |
| 25         | 0.727         |
| 26         | 0.727         |
| 27         | 0.727         |
| 28         | 0.744         |
| 29         | 0.760         |
| 30         | 0.779         |
| 31         | 0.799         |
| 32         | 0.817         |
| 33         | 0.836         |
| 34         | 0.856         |
| 35         | 0.876         |
| 36         | 0.896         |
| 37         | 0.916         |
| 38         | 0.927         |
| 39         | 0.938         |
| 40         | 0.975         |
| 41         | 1.013         |
| 42         | 1.053         |
| 43         | 1.094         |
| 44         | 1.137         |
| 45         | 1.181         |
| 46         | 1.227         |
| 47         | 1.275         |
| 48         | 1.325         |
| 49         | 1.377         |
| 50         | 1.431         |
| 51         | 1.487         |
| 52         | 1.545         |
| 53         | 1.605         |
| 54         | 1.668         |
| 55         | 1.733         |
| 56         | 1.801         |
| 57         | 1.871         |
| 58         | 1.944         |
| 59         | 2.020         |
| 60         | 2.099         |
| 61         | 2.181         |
| 62         | 2.181         |
| 63         | 2.181         |
| 64+        | 2.181         |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Young Adult \$8,150**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$168.04**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$109.90        |
| 21   | \$122.17        |
| 22   | \$122.17        |
| 23   | \$122.17        |
| 24   | \$122.17        |
| 25   | \$122.17        |
| 26   | \$122.17        |
| 27   | \$122.17        |
| 28   | \$125.02        |
| 29   | \$127.71        |
| 30   | \$130.90        |
| 31   | \$134.26        |
| 32   | \$137.29        |
| 33   | \$140.48        |
| 34   | \$143.84        |
| 35   | \$147.20        |
| 36   | \$150.56        |
| 37   | \$153.92        |
| 38   | \$155.77        |
| 39   | \$157.62        |
| 40   | \$163.84        |
| 41   | \$170.22        |
| 42   | \$176.95        |
| 43   | \$183.84        |
| 44   | \$191.06        |
| 45   | \$198.46        |
| 46   | \$206.19        |
| 47   | \$214.25        |
| 48   | \$222.65        |
| 49   | \$231.39        |
| 50   | \$240.47        |
| 51   | \$249.88        |
| 52   | \$259.62        |
| 53   | \$269.70        |
| 54   | \$280.29        |
| 55   | \$291.21        |
| 56   | \$302.64        |
| 57   | \$314.40        |
| 58   | \$326.67        |
| 59   | \$339.44        |
| 60   | \$352.72        |
| 61   | \$366.50        |
| 62   | \$366.50        |
| 63   | \$366.50        |
| 64+  | \$366.50        |

Summary of Member Cost-Shares

|  | <u>In Network</u>   |
|--|---|
| DEDUCTIBLE   | \$8,150   |
| COINSURANCE  | 0%  |
| OUT-OF-POCKET MAXIMUM                              | \$8,150   |
| Office Copays                                      | \$0 PCP /\$0 Specialist                                     |
| Drug:  | \$0 Generic, \$0 Preferred Brand<br>\$0 Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |   |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Bronze \$7,250**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$369.35**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$241.55        |
| 21   | \$268.52        |
| 22   | \$268.52        |
| 23   | \$268.52        |
| 24   | \$268.52        |
| 25   | \$268.52        |
| 26   | \$268.52        |
| 27   | \$268.52        |
| 28   | \$274.80        |
| 29   | \$280.71        |
| 30   | \$287.72        |
| 31   | \$295.11        |
| 32   | \$301.76        |
| 33   | \$308.78        |
| 34   | \$316.16        |
| 35   | \$323.55        |
| 36   | \$330.94        |
| 37   | \$338.32        |
| 38   | \$342.39        |
| 39   | \$346.45        |
| 40   | \$360.12        |
| 41   | \$374.15        |
| 42   | \$388.93        |
| 43   | \$404.07        |
| 44   | \$419.95        |
| 45   | \$436.20        |
| 46   | \$453.19        |
| 47   | \$470.92        |
| 48   | \$489.39        |
| 49   | \$508.59        |
| 50   | \$528.54        |
| 51   | \$549.22        |
| 52   | \$570.65        |
| 53   | \$592.81        |
| 54   | \$616.08        |
| 55   | \$640.08        |
| 56   | \$665.20        |
| 57   | \$691.05        |
| 58   | \$718.02        |
| 59   | \$746.09        |
| 60   | \$775.27        |
| 61   | \$805.55        |
| 62   | \$805.55        |
| 63   | \$805.55        |
| 64+  | \$805.55        |

**Summary of Member Cost-Shares**

|                                       | <u>In Network</u>   |
|---------------------------------------|---|
| DEDUCTIBLE                            | \$7,250   |
| COINSURANCE                           | 40%   |
| OUT-OF-POCKET MAXIMUM                 | \$8,000   |
| Office Copays                         | \$55 PCP /\$100 Specialist                                      |
| Drug:                                 | \$25 Generic, \$75 Preferred Brand<br>\$100 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |   |

**BlueChoice Inc.**Individual On Exchange  
DISTRICT OF COLUMBIABlueChoice HMO HSA Standard Bronze \$6,200  
Proposed Monthly Premium Rates Effective 1/1/2020Consumer Adjusted Rate **\$355.30**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$232.37        |
| 21   | \$258.30        |
| 22   | \$258.30        |
| 23   | \$258.30        |
| 24   | \$258.30        |
| 25   | \$258.30        |
| 26   | \$258.30        |
| 27   | \$258.30        |
| 28   | \$264.34        |
| 29   | \$270.03        |
| 30   | \$276.78        |
| 31   | \$283.88        |
| 32   | \$290.28        |
| 33   | \$297.03        |
| 34   | \$304.14        |
| 35   | \$311.24        |
| 36   | \$318.35        |
| 37   | \$325.45        |
| 38   | \$329.36        |
| 39   | \$333.27        |
| 40   | \$346.42        |
| 41   | \$359.92        |
| 42   | \$374.13        |
| 43   | \$388.70        |
| 44   | \$403.98        |
| 45   | \$419.61        |
| 46   | \$435.95        |
| 47   | \$453.01        |
| 48   | \$470.77        |
| 49   | \$489.25        |
| 50   | \$508.43        |
| 51   | \$528.33        |
| 52   | \$548.94        |
| 53   | \$570.26        |
| 54   | \$592.64        |
| 55   | \$615.73        |
| 56   | \$639.90        |
| 57   | \$664.77        |
| 58   | \$690.70        |
| 59   | \$717.71        |
| 60   | \$745.77        |
| 61   | \$774.91        |
| 62   | \$774.91        |
| 63   | \$774.91        |
| 64+  | \$774.91        |

## Summary of Member Cost-Shares

|  | <u>In Network</u>   |
|--|---|
| DEDUCTIBLE   | \$6,200   |
| COINSURANCE  | 20%   |
| OUT-OF-POCKET MAXIMUM                              | \$6,550   |
| Office Copays                                      | 20% Coinsurance   |
| Drug:  | 20% Generic, 20% Preferred Brand<br>20% Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |   |

**BlueChoice Inc.**Individual On Exchange  
DISTRICT OF COLUMBIA**BlueChoice HMO Standard Silver \$4,000**

Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$416.04**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$272.09        |
| 21   | \$302.46        |
| 22   | \$302.46        |
| 23   | \$302.46        |
| 24   | \$302.46        |
| 25   | \$302.46        |
| 26   | \$302.46        |
| 27   | \$302.46        |
| 28   | \$309.53        |
| 29   | \$316.19        |
| 30   | \$324.10        |
| 31   | \$332.42        |
| 32   | \$339.90        |
| 33   | \$347.81        |
| 34   | \$356.13        |
| 35   | \$364.45        |
| 36   | \$372.77        |
| 37   | \$381.09        |
| 38   | \$385.67        |
| 39   | \$390.25        |
| 40   | \$405.64        |
| 41   | \$421.45        |
| 42   | \$438.09        |
| 43   | \$455.15        |
| 44   | \$473.04        |
| 45   | \$491.34        |
| 46   | \$510.48        |
| 47   | \$530.45        |
| 48   | \$551.25        |
| 49   | \$572.89        |
| 50   | \$595.35        |
| 51   | \$618.65        |
| 52   | \$642.78        |
| 53   | \$667.74        |
| 54   | \$693.95        |
| 55   | \$721.00        |
| 56   | \$749.29        |
| 57   | \$778.41        |
| 58   | \$808.78        |
| 59   | \$840.40        |
| 60   | \$873.27        |
| 61   | \$907.38        |
| 62   | \$907.38        |
| 63   | \$907.38        |
| 64+  | \$907.38        |

## Summary of Member Cost-Shares

|                                       | <u>In Network</u>  |
|---------------------------------------|--|
| DEDUCTIBLE                            | \$4,000  |
| COINSURANCE                           | 20%  |
| OUT-OF-POCKET MAXIMUM                 | \$8,000  |
| Office Copays                         | \$40 PCP /\$80 Specialist                                      |
| Drug:                                 | \$15 Generic, \$50 Preferred Brand<br>\$70 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |  |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Gold \$500**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$557.93**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$364.89        |
| 21   | \$405.62        |
| 22   | \$405.62        |
| 23   | \$405.62        |
| 24   | \$405.62        |
| 25   | \$405.62        |
| 26   | \$405.62        |
| 27   | \$405.62        |
| 28   | \$415.10        |
| 29   | \$424.03        |
| 30   | \$434.63        |
| 31   | \$445.79        |
| 32   | \$455.83        |
| 33   | \$466.43        |
| 34   | \$477.59        |
| 35   | \$488.75        |
| 36   | \$499.91        |
| 37   | \$511.06        |
| 38   | \$517.20        |
| 39   | \$523.34        |
| 40   | \$543.98        |
| 41   | \$565.18        |
| 42   | \$587.50        |
| 43   | \$610.38        |
| 44   | \$634.37        |
| 45   | \$658.92        |
| 46   | \$684.58        |
| 47   | \$711.36        |
| 48   | \$739.26        |
| 49   | \$768.27        |
| 50   | \$798.40        |
| 51   | \$829.64        |
| 52   | \$862.00        |
| 53   | \$895.48        |
| 54   | \$930.63        |
| 55   | \$966.89        |
| 56   | \$1,004.83      |
| 57   | \$1,043.89      |
| 58   | \$1,084.62      |
| 59   | \$1,127.02      |
| 60   | \$1,171.10      |
| 61   | \$1,216.85      |
| 62   | \$1,216.85      |
| 63   | \$1,216.85      |
| 64+  | \$1,216.85      |

Summary of Member Cost-Shares

|                                       | <u>In Network</u>  |
|---------------------------------------|--|
| DEDUCTIBLE                            | \$500  |
| COINSURANCE                           | 0%   |
| OUT-OF-POCKET MAXIMUM                 | \$4,650  |
| Office Copays                         | \$25 PCP /\$50 Specialist                                      |
| Drug:                                 | \$15 Generic, \$50 Preferred Brand<br>\$70 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |  |

**BlueChoice Inc.**Individual On Exchange  
DISTRICT OF COLUMBIA**BlueChoice HMO HSA Gold \$1,500**

Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$507.69**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$332.03        |
| 21   | \$369.09        |
| 22   | \$369.09        |
| 23   | \$369.09        |
| 24   | \$369.09        |
| 25   | \$369.09        |
| 26   | \$369.09        |
| 27   | \$369.09        |
| 28   | \$377.72        |
| 29   | \$385.84        |
| 30   | \$395.49        |
| 31   | \$405.64        |
| 32   | \$414.78        |
| 33   | \$424.43        |
| 34   | \$434.58        |
| 35   | \$444.74        |
| 36   | \$454.89        |
| 37   | \$465.04        |
| 38   | \$470.63        |
| 39   | \$476.21        |
| 40   | \$495.00        |
| 41   | \$514.29        |
| 42   | \$534.60        |
| 43   | \$555.41        |
| 44   | \$577.24        |
| 45   | \$599.58        |
| 46   | \$622.94        |
| 47   | \$647.30        |
| 48   | \$672.69        |
| 49   | \$699.09        |
| 50   | \$726.50        |
| 51   | \$754.94        |
| 52   | \$784.38        |
| 53   | \$814.84        |
| 54   | \$846.83        |
| 55   | \$879.83        |
| 56   | \$914.35        |
| 57   | \$949.89        |
| 58   | \$986.95        |
| 59   | \$1,025.53      |
| 60   | \$1,065.64      |
| 61   | \$1,107.27      |
| 62   | \$1,107.27      |
| 63   | \$1,107.27      |
| 64+  | \$1,107.27      |

## Summary of Member Cost-Shares

|  | <u>In Network</u>  |
|--|--|
| DEDUCTIBLE   | \$1,500  |
| COINSURANCE  | 0%   |
| OUT-OF-POCKET MAXIMUM                              | \$3,000  |
| Office Copays                                      | \$25 PCP /\$50 Specialist                                      |
| Drug:  | \$15 Generic, \$50 Preferred Brand<br>\$70 Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |  |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Platinum \$0**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$659.80**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$431.51        |
| 21   | \$479.67        |
| 22   | \$479.67        |
| 23   | \$479.67        |
| 24   | \$479.67        |
| 25   | \$479.67        |
| 26   | \$479.67        |
| 27   | \$479.67        |
| 28   | \$490.89        |
| 29   | \$501.45        |
| 30   | \$513.98        |
| 31   | \$527.18        |
| 32   | \$539.06        |
| 33   | \$551.59        |
| 34   | \$564.79        |
| 35   | \$577.98        |
| 36   | \$591.18        |
| 37   | \$604.38        |
| 38   | \$611.63        |
| 39   | \$618.89        |
| 40   | \$643.31        |
| 41   | \$668.38        |
| 42   | \$694.77        |
| 43   | \$721.82        |
| 44   | \$750.19        |
| 45   | \$779.22        |
| 46   | \$809.57        |
| 47   | \$841.25        |
| 48   | \$874.24        |
| 49   | \$908.54        |
| 50   | \$944.17        |
| 51   | \$981.12        |
| 52   | \$1,019.39      |
| 53   | \$1,058.98      |
| 54   | \$1,100.55      |
| 55   | \$1,143.43      |
| 56   | \$1,188.30      |
| 57   | \$1,234.49      |
| 58   | \$1,282.65      |
| 59   | \$1,332.80      |
| 60   | \$1,384.92      |
| 61   | \$1,439.02      |
| 62   | \$1,439.02      |
| 63   | \$1,439.02      |
| 64+  | \$1,439.02      |

**Summary of Member Cost-Shares**

|                                       | <u>In Network</u>   |
|---------------------------------------|---|
| DEDUCTIBLE                            | \$0   |
| COINSURANCE                           | 0%  |
| OUT-OF-POCKET MAXIMUM                 | \$2,000   |
| Office Copays                         | \$20 PCP /\$40 Specialist                                     |
| Drug:                                 | \$5 Generic, \$15 Preferred Brand<br>\$25 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |   |



**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)  
Rate Filing # 2342**

**D.C. Individual Products  
Rates Effective 1/1/2020**

**Rates & Factors**

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rates & Factors  
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**BlueChoice Inc.**  
**d.b.a. CareFirst BlueCross BlueShield**  
**(NAIC # 96202)**  
**D.C. Individual Products**  
**Rates Effective 1/1/2020**  
**Form Numbers**

**Form Numbers Associated With This ACA Filing:**

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**BlueChoice HMO Standard Plans**

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
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DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

**BlueChoice HMO Young Adult**

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DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

**BlueChoice Inc.**  
**D.C. Individual Products, Rates Effective 1/1/2020**

**Age Factors**

| <b>Age</b> | <b>Factor</b> |
|------------|---------------|
| 0-20       | 0.654         |
| 21         | 0.727         |
| 22         | 0.727         |
| 23         | 0.727         |
| 24         | 0.727         |
| 25         | 0.727         |
| 26         | 0.727         |
| 27         | 0.727         |
| 28         | 0.744         |
| 29         | 0.760         |
| 30         | 0.779         |
| 31         | 0.799         |
| 32         | 0.817         |
| 33         | 0.836         |
| 34         | 0.856         |
| 35         | 0.876         |
| 36         | 0.896         |
| 37         | 0.916         |
| 38         | 0.927         |
| 39         | 0.938         |
| 40         | 0.975         |
| 41         | 1.013         |
| 42         | 1.053         |
| 43         | 1.094         |
| 44         | 1.137         |
| 45         | 1.181         |
| 46         | 1.227         |
| 47         | 1.275         |
| 48         | 1.325         |
| 49         | 1.377         |
| 50         | 1.431         |
| 51         | 1.487         |
| 52         | 1.545         |
| 53         | 1.605         |
| 54         | 1.668         |
| 55         | 1.733         |
| 56         | 1.801         |
| 57         | 1.871         |
| 58         | 1.944         |
| 59         | 2.020         |
| 60         | 2.099         |
| 61         | 2.181         |
| 62         | 2.181         |
| 63         | 2.181         |
| 64+        | 2.181         |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Young Adult \$8,150**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$140.60**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$91.95         |
| 21   | \$102.22        |
| 22   | \$102.22        |
| 23   | \$102.22        |
| 24   | \$102.22        |
| 25   | \$102.22        |
| 26   | \$102.22        |
| 27   | \$102.22        |
| 28   | \$104.61        |
| 29   | \$106.86        |
| 30   | \$109.53        |
| 31   | \$112.34        |
| 32   | \$114.87        |
| 33   | \$117.54        |
| 34   | \$120.35        |
| 35   | \$123.17        |
| 36   | \$125.98        |
| 37   | \$128.79        |
| 38   | \$130.34        |
| 39   | \$131.88        |
| 40   | \$137.09        |
| 41   | \$142.43        |
| 42   | \$148.05        |
| 43   | \$153.82        |
| 44   | \$159.86        |
| 45   | \$166.05        |
| 46   | \$172.52        |
| 47   | \$179.27        |
| 48   | \$186.30        |
| 49   | \$193.61        |
| 50   | \$201.20        |
| 51   | \$209.07        |
| 52   | \$217.23        |
| 53   | \$225.66        |
| 54   | \$234.52        |
| 55   | \$243.66        |
| 56   | \$253.22        |
| 57   | \$263.06        |
| 58   | \$273.33        |
| 59   | \$284.01        |
| 60   | \$295.12        |
| 61   | \$306.65        |
| 62   | \$306.65        |
| 63   | \$306.65        |
| 64+  | \$306.65        |

Summary of Member Cost-Shares

|  | <u>In Network</u>   |
|--|---|
| DEDUCTIBLE   | \$8,150   |
| COINSURANCE  | 0%  |
| OUT-OF-POCKET MAXIMUM                              | \$8,150   |
| Office Copays                                      | \$0 PCP /\$0 Specialist                                     |
| Drug:  | \$0 Generic, \$0 Preferred Brand<br>\$0 Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |   |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Bronze \$7,250**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$308.73**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$201.91        |
| 21   | \$224.45        |
| 22   | \$224.45        |
| 23   | \$224.45        |
| 24   | \$224.45        |
| 25   | \$224.45        |
| 26   | \$224.45        |
| 27   | \$224.45        |
| 28   | \$229.70        |
| 29   | \$234.63        |
| 30   | \$240.50        |
| 31   | \$246.68        |
| 32   | \$252.23        |
| 33   | \$258.10        |
| 34   | \$264.27        |
| 35   | \$270.45        |
| 36   | \$276.62        |
| 37   | \$282.80        |
| 38   | \$286.19        |
| 39   | \$289.59        |
| 40   | \$301.01        |
| 41   | \$312.74        |
| 42   | \$325.09        |
| 43   | \$337.75        |
| 44   | \$351.03        |
| 45   | \$364.61        |
| 46   | \$378.81        |
| 47   | \$393.63        |
| 48   | \$409.07        |
| 49   | \$425.12        |
| 50   | \$441.79        |
| 51   | \$459.08        |
| 52   | \$476.99        |
| 53   | \$495.51        |
| 54   | \$514.96        |
| 55   | \$535.03        |
| 56   | \$556.02        |
| 57   | \$577.63        |
| 58   | \$600.17        |
| 59   | \$623.63        |
| 60   | \$648.02        |
| 61   | \$673.34        |
| 62   | \$673.34        |
| 63   | \$673.34        |
| 64+  | \$673.34        |

**Summary of Member Cost-Shares**

|                                       | <u>In Network</u>   |
|---------------------------------------|---|
| DEDUCTIBLE                            | \$7,250   |
| COINSURANCE                           | 40%   |
| OUT-OF-POCKET MAXIMUM                 | \$8,000   |
| Office Copays                         | \$55 PCP /\$100 Specialist                                      |
| Drug:                                 | \$25 Generic, \$75 Preferred Brand<br>\$100 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |   |

**BlueChoice Inc.**Individual On Exchange  
DISTRICT OF COLUMBIA**BlueChoice HMO HSA Standard Bronze \$6,200**  
Proposed Monthly Premium Rates Effective 1/1/2020Consumer Adjusted Rate **\$296.99**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$194.23        |
| 21   | \$215.91        |
| 22   | \$215.91        |
| 23   | \$215.91        |
| 24   | \$215.91        |
| 25   | \$215.91        |
| 26   | \$215.91        |
| 27   | \$215.91        |
| 28   | \$220.96        |
| 29   | \$225.71        |
| 30   | \$231.36        |
| 31   | \$237.30        |
| 32   | \$242.64        |
| 33   | \$248.28        |
| 34   | \$254.22        |
| 35   | \$260.16        |
| 36   | \$266.10        |
| 37   | \$272.04        |
| 38   | \$275.31        |
| 39   | \$278.58        |
| 40   | \$289.57        |
| 41   | \$300.85        |
| 42   | \$312.73        |
| 43   | \$324.91        |
| 44   | \$337.68        |
| 45   | \$350.75        |
| 46   | \$364.41        |
| 47   | \$378.66        |
| 48   | \$393.51        |
| 49   | \$408.96        |
| 50   | \$424.99        |
| 51   | \$441.62        |
| 52   | \$458.85        |
| 53   | \$476.67        |
| 54   | \$495.38        |
| 55   | \$514.68        |
| 56   | \$534.88        |
| 57   | \$555.67        |
| 58   | \$577.35        |
| 59   | \$599.92        |
| 60   | \$623.38        |
| 61   | \$647.74        |
| 62   | \$647.74        |
| 63   | \$647.74        |
| 64+  | \$647.74        |

**Summary of Member Cost-Shares**

|  | <u>In Network</u>   |
|--|---|
| DEDUCTIBLE   | \$6,200   |
| COINSURANCE  | 20%   |
| OUT-OF-POCKET MAXIMUM                              | \$6,550   |
| Office Copays                                      | 20% Coinsurance   |
| Drug:  | 20% Generic, 20% Preferred Brand<br>20% Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |   |

**BlueChoice Inc.**Individual On Exchange  
DISTRICT OF COLUMBIA**BlueChoice HMO Standard Silver \$4,000**

Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$347.72**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$227.41        |
| 21   | \$252.79        |
| 22   | \$252.79        |
| 23   | \$252.79        |
| 24   | \$252.79        |
| 25   | \$252.79        |
| 26   | \$252.79        |
| 27   | \$252.79        |
| 28   | \$258.70        |
| 29   | \$264.27        |
| 30   | \$270.87        |
| 31   | \$277.83        |
| 32   | \$284.09        |
| 33   | \$290.69        |
| 34   | \$297.65        |
| 35   | \$304.60        |
| 36   | \$311.56        |
| 37   | \$318.51        |
| 38   | \$322.34        |
| 39   | \$326.16        |
| 40   | \$339.03        |
| 41   | \$352.24        |
| 42   | \$366.15        |
| 43   | \$380.41        |
| 44   | \$395.36        |
| 45   | \$410.66        |
| 46   | \$426.65        |
| 47   | \$443.34        |
| 48   | \$460.73        |
| 49   | \$478.81        |
| 50   | \$497.59        |
| 51   | \$517.06        |
| 52   | \$537.23        |
| 53   | \$558.09        |
| 54   | \$580.00        |
| 55   | \$602.60        |
| 56   | \$626.24        |
| 57   | \$650.58        |
| 58   | \$675.97        |
| 59   | \$702.39        |
| 60   | \$729.86        |
| 61   | \$758.38        |
| 62   | \$758.38        |
| 63   | \$758.38        |
| 64+  | \$758.38        |

## Summary of Member Cost-Shares

|                                       | <u>In Network</u>  |
|---------------------------------------|--|
| DEDUCTIBLE                            | \$4,000  |
| COINSURANCE                           | 20%  |
| OUT-OF-POCKET MAXIMUM                 | \$8,000  |
| Office Copays                         | \$40 PCP /\$80 Specialist                                      |
| Drug:                                 | \$15 Generic, \$50 Preferred Brand<br>\$70 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |  |



**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Gold \$500**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$466.23**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$304.91        |
| 21   | \$338.95        |
| 22   | \$338.95        |
| 23   | \$338.95        |
| 24   | \$338.95        |
| 25   | \$338.95        |
| 26   | \$338.95        |
| 27   | \$338.95        |
| 28   | \$346.88        |
| 29   | \$354.33        |
| 30   | \$363.19        |
| 31   | \$372.52        |
| 32   | \$380.91        |
| 33   | \$389.77        |
| 34   | \$399.09        |
| 35   | \$408.42        |
| 36   | \$417.74        |
| 37   | \$427.07        |
| 38   | \$432.20        |
| 39   | \$437.32        |
| 40   | \$454.57        |
| 41   | \$472.29        |
| 42   | \$490.94        |
| 43   | \$510.06        |
| 44   | \$530.10        |
| 45   | \$550.62        |
| 46   | \$572.06        |
| 47   | \$594.44        |
| 48   | \$617.75        |
| 49   | \$642.00        |
| 50   | \$667.18        |
| 51   | \$693.28        |
| 52   | \$720.33        |
| 53   | \$748.30        |
| 54   | \$777.67        |
| 55   | \$807.98        |
| 56   | \$839.68        |
| 57   | \$872.32        |
| 58   | \$906.35        |
| 59   | \$941.78        |
| 60   | \$978.62        |
| 61   | \$1,016.85      |
| 62   | \$1,016.85      |
| 63   | \$1,016.85      |
| 64+  | \$1,016.85      |

Summary of Member Cost-Shares

|                                       | <u>In Network</u>                  |
|---------------------------------------|------------------------------------|
| DEDUCTIBLE                            | \$500                              |
| COINSURANCE                           | 0%                                 |
| OUT-OF-POCKET MAXIMUM                 | \$4,650                            |
| Office Copays                         | \$25 PCP /\$50 Specialist          |
| Drug:                                 | \$15 Generic, \$50 Preferred Brand |
|                                       | \$70 Non-Preferred Brand           |
| Drug and Medical Combined for OOP Max |                                    |

**BlueChoice Inc.**

Individual On Exchange

**DISTRICT OF COLUMBIA****BlueChoice HMO HSA Gold \$1,500**

Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$424.25**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$277.46        |
| 21   | \$308.43        |
| 22   | \$308.43        |
| 23   | \$308.43        |
| 24   | \$308.43        |
| 25   | \$308.43        |
| 26   | \$308.43        |
| 27   | \$308.43        |
| 28   | \$315.64        |
| 29   | \$322.43        |
| 30   | \$330.49        |
| 31   | \$338.98        |
| 32   | \$346.61        |
| 33   | \$354.67        |
| 34   | \$363.16        |
| 35   | \$371.64        |
| 36   | \$380.13        |
| 37   | \$388.61        |
| 38   | \$393.28        |
| 39   | \$397.95        |
| 40   | \$413.64        |
| 41   | \$429.77        |
| 42   | \$446.74        |
| 43   | \$464.13        |
| 44   | \$482.37        |
| 45   | \$501.04        |
| 46   | \$520.55        |
| 47   | \$540.92        |
| 48   | \$562.13        |
| 49   | \$584.19        |
| 50   | \$607.10        |
| 51   | \$630.86        |
| 52   | \$655.47        |
| 53   | \$680.92        |
| 54   | \$707.65        |
| 55   | \$735.23        |
| 56   | \$764.07        |
| 57   | \$793.77        |
| 58   | \$824.74        |
| 59   | \$856.99        |
| 60   | \$890.50        |
| 61   | \$925.29        |
| 62   | \$925.29        |
| 63   | \$925.29        |
| 64+  | \$925.29        |

## Summary of Member Cost-Shares

|  | <u>In Network</u>  |
|--|--|
| DEDUCTIBLE   | \$1,500  |
| COINSURANCE  | 0%   |
| OUT-OF-POCKET MAXIMUM                              | \$3,000  |
| Office Copays                                      | \$25 PCP /\$50 Specialist                                      |
| Drug:  | \$15 Generic, \$50 Preferred Brand<br>\$70 Non-Preferred Brand |
| Drug and Medical Combined for Deductible & OOP Max |  |

**BlueChoice Inc.**  
Individual On Exchange  
**DISTRICT OF COLUMBIA**  
**BlueChoice HMO Standard Platinum \$0**  
Proposed Monthly Premium Rates Effective 1/1/2020

Consumer Adjusted Rate **\$551.31**

| Age  | Monthly Premium |
|------|-----------------|
| 0-20 | \$360.56        |
| 21   | \$400.80        |
| 22   | \$400.80        |
| 23   | \$400.80        |
| 24   | \$400.80        |
| 25   | \$400.80        |
| 26   | \$400.80        |
| 27   | \$400.80        |
| 28   | \$410.17        |
| 29   | \$419.00        |
| 30   | \$429.47        |
| 31   | \$440.50        |
| 32   | \$450.42        |
| 33   | \$460.90        |
| 34   | \$471.92        |
| 35   | \$482.95        |
| 36   | \$493.97        |
| 37   | \$505.00        |
| 38   | \$511.06        |
| 39   | \$517.13        |
| 40   | \$537.53        |
| 41   | \$558.48        |
| 42   | \$580.53        |
| 43   | \$603.13        |
| 44   | \$626.84        |
| 45   | \$651.10        |
| 46   | \$676.46        |
| 47   | \$702.92        |
| 48   | \$730.49        |
| 49   | \$759.15        |
| 50   | \$788.92        |
| 51   | \$819.80        |
| 52   | \$851.77        |
| 53   | \$884.85        |
| 54   | \$919.59        |
| 55   | \$955.42        |
| 56   | \$992.91        |
| 57   | \$1,031.50      |
| 58   | \$1,071.75      |
| 59   | \$1,113.65      |
| 60   | \$1,157.20      |
| 61   | \$1,202.41      |
| 62   | \$1,202.41      |
| 63   | \$1,202.41      |
| 64+  | \$1,202.41      |

Summary of Member Cost-Shares

|                                       | In Network  |
|---------------------------------------|---|
| DEDUCTIBLE                            | \$0   |
| COINSURANCE                           | 0%  |
| OUT-OF-POCKET MAXIMUM                 | \$2,000   |
| Office Copays                         | \$20 PCP /\$40 Specialist                                     |
| Drug:                                 | \$5 Generic, \$15 Preferred Brand<br>\$25 Non-Preferred Brand |
| Drug and Medical Combined for OOP Max |   |

|                             |  |                        |                            |
|-----------------------------|--|------------------------|----------------------------|
| <b>State:</b>               | District of Columbia   | <b>Filing Company:</b> | CareFirst BlueChoice, Inc. |
| <b>TOI/Sub-TOI:</b>         | HOrg021 Individual Health Organizations - Health Maintenance (HMO)/HOrg021.005D Individual - HMO |                        |                            |
| <b>Product Name:</b>        | 2342 - DC ACA Individual BlueChoice  |                        |                            |
| <b>Project Name/Number:</b> | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                        |                            |

## Supporting Document Schedules

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | Actuarial Justification                                     |
| <b>Comments:</b>         | Please see actuarial certification in Actuarial Memorandum. |
| <b>Attachment(s):</b>    |   |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Actuarial Memorandum   |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 2342 BC Ind - DISB rate filing checklist.pdf<br>2342 AV Screenshots - DC Individual BlueChoice.pdf<br>2342_Individual_DC_BlueChoice_ActuarialMemorandum.pdf<br>2342_Individual_DC_BlueChoice_ActuarialMemorandum - COMB RA.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Actuarial Memorandum and Certifications  |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 2342_Individual_DC_BlueChoice_ActuarialMemorandum.pdf<br>2342 DC Ind - BlueChoice - Index & Plan Comparison.pdf<br>2342 DC Ind - BlueChoice - Index & Plan Comparison - COMB RA.pdf<br>2342_Individual_DC_BlueChoice_ActuarialMemorandum - COMB RA.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                         |  |
|-------------------------|--|
| <b>Bypassed - Item:</b> | Certificate of Authority to File               |
| <b>Bypass Reason:</b>   | This filing is being submitted by the insurer. |
| <b>Attachment(s):</b>   |  |
| <b>Item Status:</b>     |  |
| <b>Status Date:</b>     |  |

|                         |  |
|-------------------------|--|
| <b>Bypassed - Item:</b> | Consumer Disclosure Form   |
| <b>Bypass Reason:</b>   | Bypassing at initial submission per instructions in description. |
| <b>Attachment(s):</b>   |  |
| <b>Item Status:</b>     |  |
| <b>Status Date:</b>     |  |

|                             |  |                        |                            |
|-----------------------------|--|------------------------|----------------------------|
| <b>State:</b>               | District of Columbia   | <b>Filing Company:</b> | CareFirst BlueChoice, Inc. |
| <b>TOI/Sub-TOI:</b>         | HOrg021 Individual Health Organizations - Health Maintenance (HMO)/HOrg021.005D Individual - HMO |                        |                            |
| <b>Product Name:</b>        | 2342 - DC ACA Individual BlueChoice  |                        |                            |
| <b>Project Name/Number:</b> | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                        |                            |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Cover Letter   |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 2342 ACA_Cover Letter_Ind_DC_BlueChoice.pdf<br>2342 ACA_Cover Letter_Ind_DC_BlueChoice - COMB RA.pdf |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | DISB Actuarial Memorandum Dataset   |
| <b>Comments:</b>         |   |
| <b>Attachment(s):</b>    | 2342 - DC BC Ind - Dataset - SERFF.xlsx<br>DC BC Trend Analysis.xlsx<br>2342 - DC BC Ind - Dataset - COMB RA.xlsx |
| <b>Item Status:</b>      |   |
| <b>Status Date:</b>      |   |

|                         |  |
|-------------------------|--|
| <b>Bypassed - Item:</b> | District of Columbia and Countrywide Experience for the Last 5 Years (P&C) |
| <b>Bypass Reason:</b>   | Not applicable.  |
| <b>Attachment(s):</b>   |  |
| <b>Item Status:</b>     |  |
| <b>Status Date:</b>     |  |

|                         |  |
|-------------------------|--|
| <b>Bypassed - Item:</b> | District of Columbia and Countrywide Loss Ratio Analysis (P&C) |
| <b>Bypass Reason:</b>   | Not applicable   |
| <b>Attachment(s):</b>   |  |
| <b>Item Status:</b>     |  |
| <b>Status Date:</b>     |  |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | Unified Rate Review Template   |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 2342 DC BlueChoice Ind URRT - SERFF.pdf<br>2342 DC BlueChoice Ind URRT SERFF.xlsm<br>2342 DC BlueChoice Ind URRT - COMB RA.pdf<br>2342 DC BlueChoice Ind URRT SERFF - COMB RA.xlsm |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                          |   |
|--------------------------|---|
| <b>Satisfied - Item:</b> | District of Columbia Plain Language Summary |
| <b>Comments:</b>         |   |

|                             |  |                        |                            |
|-----------------------------|--|------------------------|----------------------------|
| <b>State:</b>               | District of Columbia   | <b>Filing Company:</b> | CareFirst BlueChoice, Inc. |
| <b>TOI/Sub-TOI:</b>         | HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO |                        |                            |
| <b>Product Name:</b>        | 2342 - DC ACA Individual BlueChoice  |                        |                            |
| <b>Project Name/Number:</b> | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                        |                            |

|                       |  |
|-----------------------|--|
| <b>Attachment(s):</b> | 2342 - DC Ind - BlueChoice - PartII Rate Justification - COMB RA.pdf<br>2342 - DC Ind - BlueChoice - PartII Rate Justification.pdf |
| <b>Item Status:</b>   |  |
| <b>Status Date:</b>   |  |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | RateE File                               |
| <b>Comments:</b>         |  |
| <b>Attachment(s):</b>    | 86052_DC_Individual_BC_RATEE_050119.xlsx |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                          |                                  |
|--------------------------|----------------------------------|
| <b>Satisfied - Item:</b> | Objection Response Documentation |
| <b>Comments:</b>         | Added as needed                  |
| <b>Attachment(s):</b>    |                                  |
| <b>Item Status:</b>      |                                  |
| <b>Status Date:</b>      |                                  |

|                      |  |                 |                            |
|----------------------|--|-----------------|----------------------------|
| State:               | District of Columbia   | Filing Company: | CareFirst BlueChoice, Inc. |
| TOI/Sub-TOI:         | HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005D Individual - HMO |                 |                            |
| Product Name:        | 2342 - DC ACA Individual BlueChoice  |                 |                            |
| Project Name/Number: | 2342 - DC BC IND64- ACA ON-EXCHANGE/2342   |                 |                            |

***Attachment 2342 - DC BC Ind - Dataset - SERFF.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment DC BC Trend Analysis.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment 2342 - DC BC Ind - Dataset - COMB RA.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment 2342 DC BlueChoice Ind URRT SERFF.xlsm is not a PDF document and cannot be reproduced here.***

***Attachment 2342 DC BlueChoice Ind URRT SERFF - COMB RA.xlsm is not a PDF document and cannot be reproduced here.***

***Attachment 86052\_DC\_Individual\_BC\_RATEE\_050119.xlsx is not a PDF document and cannot be reproduced here.***

**RATE FILING REQUIREMENTS INDIVIDUAL AND SMALL GROUP PLANS SOLD ON DC HEALTH LINK  
CHECK-LIST**

INSTRUCTIONS: Include all required elements in the table below with the filed rates. The data elements listed in the Actuarial Memorandum should be consistent with the cover letter, if applicable.

| Number | Data Element                    | Requirement Description  | Individual and Small Group          |   |
|--------|---------------------------------|--|-------------------------------------|---|
|        |                                 |  | Has the Data Element Been Included? | Location of the Data Element                    |
| 1      | Purpose of Filing               | State the purpose of the filing. Identify the applicable law. List the proposed changes to the base rates and rating factors, and provide a general summary.   | Yes                                 | Page 1 of the Actuarial Memorandum PDF in SERFF |
| 2      | Form Numbers                    | Form numbers should be listed in the actuarial memorandum.   | Yes                                 | Appendix - Form Numbers_IND                     |
| 3      | HIOS Product ID                 | The HIOS product ID should be listed in the actuarial memorandum.  | Yes                                 | Exhibit 11 - Plan Adjusted_IND                  |
| 4      | Effective Date                  | The requested effective date of the rate change. For filings effective 1/1/2017 and later, follow filing due date requirements.  | Yes                                 | Page 1 of the Actuarial Memorandum PDF in SERFF |
| 5      | Market                          | Indicate whether the products are sold in the individual or small employer group market.   | Yes                                 | Page 1 of the Actuarial Memorandum PDF in SERFF |
| 6      | Status of Forms                 | Indicate whether the forms are open to new sales, closed, or a mixture of both, and whether the forms are grandfathered, non-grandfathered, or a mixture of both.  | Yes                                 | Appendix - Form Numbers_IND                     |
| 7      | Benefits/Metal level(s)         | Include a basic description of the benefits of the forms referenced in the filing and the metal level of each plan design.   | Yes                                 | Exhibit 11 - Plan Adjusted_IND                  |
| 7.1    | AV Value                        | Provide the actuarial value of each plan design using the AV calculator developed and made available by HHS.   | Yes                                 | See the PDF file "AV Screen Shots" in SERFF     |
| 8      | Average Rate Increase Requested | The weighted average rate increase being requested, incremental and year-over-year renewal. The weights should be based on premium volume. <b>In the small group market, please also provide weighted average rate increase requested for 2016Q1 over 2015Q1; etc.</b> | Yes                                 | Appendix - Rate Change_IND                      |
| 9      | Maximum Rate Increase Requested | The maximum rate increase that could be applied to a policyholder based on changes to the base rate and rating factors, incremental and year-over-year renewal. (Does not include changes in the demographics of the covered members.)                                 | Yes                                 | Appendix - Rate Change_IND                      |



| Number | Data Element                             | Requirement Description  | Individual and Small Group          |                              |
|--------|--|--|-------------------------------------|------------------------------|
|        |  |  | Has the Data Element Been Included? | Location of the Data Element |
| 10     | Minimum Rate Increase Requested          | The minimum rate increase that could be applied to a policyholder based on changes to the base rate and rating factors, incremental and year-over-year renewal. (Does not include changes in the demographics of the covered members.)   | Yes                                 | Appendix - Rate Change_IND   |
| 11     | Absolute Maximum Premium Increase        | The absolute maximum year-over-year renewal rate increase that could be applied to a policyholder, including demographic changes such as aging.  | Yes                                 | Appendix - Max Renewal_IND   |
| 12     | Average Renewal Rate Increase for a Year | Calculate the average renewal rate increase, weighted by written premium, for renewals in the year ending with the effective period of the rate filing. The calculation must be performed for each HIOS product ID.  | Yes                                 | Appendix - Rate Change_IND   |
| 13     | Rate Change History                      | Rate change history of the forms referenced in the filing. If nationwide experience is used in developing the rates, provide separately the rate history for District of Columbia and the nationwide average rate history.   | Yes                                 | Appendix - Rate Change_IND   |
| 14     | Exposure                                 | Current number of policies, certificates and covered lives.  | Yes                                 | Appendix - Rate Change_IND   |
| 15     | Member Months                            | Number of members in force during each month of the base experience period used in the rate development and in each of the two preceding twelve-month periods.   | Yes                                 | Appendix - Total Experience  |
| 16     | Past Experience                          | Provide monthly earned premium and incurred claims for the base experience period used in the rate development and each of the two preceding twelve-month periods.   | Yes                                 | Appendix - Total Experience  |
| 17     | Index Rate                               | Provide the index rate.  | Yes                                 | Exhibit 1 - Summary_IND      |
| 17.1   | Rate Development                         | Show base experience used to develop rates and all adjustments and assumptions applied to arrive at the requested rates. For less than fully credible blocks, disclose the source of the base experience data used in the rate development and discuss the appropriateness of the data for pricing the policies in the filing. | Yes                                 | Appendix - Total Experience  |
| 18     | Credibility Assumption                   | If the experience of the policies included in the filing is not fully credible, state and provide support for the credibility formula used in the rate development.  | No                                  | Not applicable               |

| Number | Data Element                   | Requirement Description  | Individual and Small Group          |                               |
|--------|--------------------------------|--|-------------------------------------|-------------------------------|
|        |                                |  | Has the Data Element Been Included? | Location of the Data Element  |
| 19     | Trend Assumption               | Show trend assumptions by major types of service as defined by HHS in the Part I Preliminary Justification template, separately by unit cost, utilization, and in total. Provide the development of the trend assumptions.   | Yes                                 | Exhibit 8 - Trend             |
| 20     | Cost-Sharing Changes           | Disclose any changes in cost sharing for the plans between the base experience period for rating and the requested effective date. Show how the experience has been adjusted for cost-sharing changes in the rate development. Provide support for the estimated cost impact of the cost-sharing changes.  | No                                  | Not applicable                |
| 21     | Benefit Changes                | Disclose any changes in covered benefits for the plans between the base experience period for rating and the requested effective date. Show how the experience has been adjusted for changes in covered benefits in the rate development. Provide support for the estimated cost impact of the benefit changes.  | Yes                                 | Exhibit 7 - Other Adjustments |
| 22     | Plan Relativities              | For rate change filings, if the rate change is not uniform for all plan designs, provide support for all requested rate changes by plan design. Disclose the minimum, maximum, and average impact of the changes on policyholders.<br><br>For initial filings, provide the derivation of any new plan factors.   | Yes                                 | Appendix - Rate Change_IND    |
| 23     | Rating Factors                 | Provide the age and other rating factors used. Disclose any changes to rating factors, and the minimum, maximum, and average impact on policyholders. Provide support for any changes.   | Yes                                 | Exhibit 14 - Age Slope        |
| 23.1   | Wellness Programs              | Describe any wellness programs (as defined in section 2705(j) of the PHS Act) included in this filing.   | No                                  | Not applicable                |
| 24     | Distribution of Rate Increases | Anticipated distribution of rate increases due to changes in base rates, plan relativities, and rating factors. This need not include changes in demographics of the individual or group.  | Yes                                 | Appendix - Rate Change_IND    |
| 25     | Claim Reserve Needs            | Provide the claims for the base experience period separately for paid claims, and estimated incurred claims (including claim reserve). Indicate the incurred period used for the base period. Indicate the paid-through date of the paid claims, and provide a basic description of the reserving methodology for claims reserves and contract reserves, if any. Provide margins used, if any. | Yes                                 | Appendix - Total Experience   |

| Number | Data Element  | Requirement Description   | Individual and Small Group          |  |
|--------|---|---|-------------------------------------|--|
|        |   |   | Has the Data Element Been Included? | Location of the Data Element                             |
| 26     | Administrative Costs of Programs that Improve Health Care Quality | Show the amount of administrative costs included with claims in the numerator of the MLR calculation . Show that the amount is consistent with the most recently filed Supplemental Health Care Exhibit or provide support for the difference.  | Yes                                 | Exhibit10A - DICR_IND and Exhibit 10B - Fed MLR_IND      |
| 27     | Taxes and Licensing or Regulatory Fees                            | Show the amount of taxes, licenses, and fees subtracted from premium in the denominator of your medical loss ratio calculation(c). Show that the amount is consistent with the most recently filed Supplemental Health Care Exhibit or provide support for the difference.  | Yes                                 | Exhibit10A - DICR_IND and Exhibit 10B - Fed MLR_IND      |
| 28     | Medical Loss Ratio (MLR)  | Demonstrate that the projected loss ratio, including the requested rate change, meets the minimum MLR. Show the premium, claims, and adjustments separately with the development of the projected premium and projected claims (if not provided in the rate development section). If the loss ratio falls below the minimum for the subset of policy forms in the filing, show that when combined with all other policy forms in the market segment in District of Columbia, the loss ratio meets the minimum.                                      | Yes                                 | Exhibit10A - DICR_IND and Exhibit 10B - Fed MLR_Combined |
| 29     | Risk Adjustment   | Provide rate information relating to the Risk Adjustment program. Information should include assumed Risk Adjustment user fees, Risk Adjustment PMPM excluding user fees and assumed distribution of enrollment by risk score, plan, and geographical area. Provide support for the assumptions, including any demographic changes. Provide information/study on the development of risk scores and Risk Adjustment PMPM. Provide previous year-end estimated risk adjustment payable or receivable amount and quantitative support for the amount. | Yes                                 | Exhibit 9 - Risk Adjustment_IND                          |
| 30     | Past and Prospective Loss Experience Within and Outside the State | Indicate whether loss experience within or outside the state was used in the development of proposed rates. Provide an explanation for using loss experience within or outside the state.   | Yes                                 | Not applicable   |

| Number | Data Element  | Requirement Description   | Individual and Small Group          |   |
|--------|---|---|-------------------------------------|---|
|        |   |   | Has the Data Element Been Included? | Location of the Data Element                                    |
| 31     | A Reasonable Margin for Reserve Needs                   | Show the assumed Margin for Reserve Needs used in the development of proposed rates. Margin for Reserve Needs includes factors that reflect assumed contributions to the company's surplus or the assumed profit margin. Demonstrate how this assumption was derived, how the assumption has changed from prior filings, and provide support for changes. If the assumption for Qualified Health Plans exceeds 3% as assumed in the risk corridor formula, justify the excess in light of the company's surplus position.   | Yes                                 | Exhibit10A - DICR_IND and Exhibit 10B - Fed MLR_IND             |
| 32     | Past and Prospective Expenses                           | <p>Indicate the expense assumptions used in the development of proposed rates. Demonstrate how this assumption was derived. Show how this assumption has changed from prior filings, and provide support for any change.</p> <p>Provide the assumed administrative costs in the following categories:</p> <ul style="list-style-type: none"> <li>• Salaries, wages, employment taxes, and other employee benefits</li> <li>• Commissions</li> <li>• Taxes, licenses, and other regulatory fees</li> <li>• Cost containment programs / quality improvement activities</li> <li>• All other administrative expenses</li> <li>• Total</li> </ul> | Yes                                 | Exhibit10A - DICR_IND and Exhibit 10B - Fed MLR_IND             |
| 33     | Any Other Relevant Factors Within and Outside the State | Show any other relevant factors that have been considered in the development of the proposed rates. Demonstrate how any related assumptions were derived. Show how these assumptions have changed from prior filings, and provide support for any change.   | Yes                                 | Actuarial Memorandum  |
| 34     | Other   | Any other information needed to support the requested rates or to comply with Actuarial Standard of Practice No. 8.   | Yes                                 | Actuarial Memorandum  |
| 35     | Actuarial Certification                                 | Signed and dated certification by a qualified actuary that the anticipated loss ratio meets the minimum requirement, the rates are reasonable in relation to benefits, the filing complies with the laws and regulations of the District of Columbia and all applicable Actuarial Standards of Practice, including ASOP No. 8, and that the rates are not unfairly discriminatory.  | Yes                                 | Actuarial Certification is included in the Actuarial Memorandum |

| Number | Data Element  | Requirement Description   | Individual and Small Group          |   |
|--------|---|---|-------------------------------------|---|
|        |   |   | Has the Data Element Been Included? | Location of the Data Element  |
| 36     | Part I Preliminary Justification (Grandfathered Plan Filings) | Rate Summary Worksheet --- Provide this document with all Grandfathered plan filings. <b>Provide in Excel and PDF format.</b>   | No                                  | This is not a Grandfathered Filing, so a PRJ is not provided                    |
| 36.1   | Unified Rate Review Template (Non-Grandfathered Filings)      | Unified Rate Review Template as specified in the proposed Federal Rate Review regulation. Provide this document with all Non-Grandfathered plan filings. <b>Provide in Excel and PDF format.</b>  | Yes                                 | See the URRT included as a separate document in SERFF                           |
| 37     | Part II Preliminary Justification                             | Written description justifying the rate increase as specified by 45 CFR § 154.215(f). Provide for <i>all</i> individual and small employer group filings (whether or not they are “subject to review” as defined by HHS).   | Yes                                 | See the Part II included as a separate document in SERFF                        |
| 38     | DISB Actuarial Memorandum Dataset                             | Summarizes data elements contained in Actuarial Memorandum. Provide this document with all Non- Grandfathered plan filings. <b>Provide in Excel format only.</b>  | Yes                                 | See the Dataset included as a separate document in SERFF                        |
| 39     | District of Columbia Plain Language Summary                   | Similar to the Part II Preliminary Justification, this is a written description of the rate increase as specified by 45 CFR § 154.215, but as a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. Provide this document for all individual and small employer group filings.                           | Yes                                 | See the Part II included as a separate document in SERFF                        |
| 40     | Summary of Components for Requested Rate Change               | DISB will require that issuers provide a chart listing a) any and all components of requested rate changes from the prior year; b) a quick summary/explanation of the change; and c) the actual percentage impact of the change for each component, such that the total for all components listed equals the total percentage change requested for the plan year. | Yes                                 | See the file "Index & Plan Comparison" included as a separate document in SERFF |

| Number | Data Element  | Requirement Description  | Individual and Small Group          |  |
|--------|---|--|-------------------------------------|--|
|        |   |  | Has the Data Element Been Included? | Location of the Data Element                                   |
| 41     | CCIIO Risk Adjustment Transfer Elements Extract (RATE 'E')  | Received directly from CCIIO; this report should be completed and submitted by the set deadline for QHP submissions, or by April 30 <sup>th</sup> of the current year, whichever is first.   | Yes                                 | See the Rate 'E' file included as a separate document in SERFF |
| 42     | Additional Requirements for Stand-Alone Dental Plan Filings | Provide the following for stand-alone dental plan filings: <ul style="list-style-type: none"> <li>• Identification of the level of coverage (i.e. low or high), including the actuarial value of the plan determined in accordance with the proposed rule;</li> <li>• Certification of the level of coverage by a member of the American Academy of Actuaries using generally accepted actuarial principles; and</li> <li>• Demonstration that the plan has a reasonable annual limitation on cost-sharing.</li> </ul> | No                                  | Not applicable   |

#### CERTIFYING SIGNATURE

The undersigned representative of the organization submitting this rate filing attests that all items contained in the above checklist have been included in the filing to the best of the company's ability.

Cory Bream  
 \_\_\_\_\_  
 (Print Name)

Cory Bream  
 \_\_\_\_\_  
 (Signature)

Digitally signed by Cory Bream  
 Date: 2019.05.23 17:16:11 -04'00'

**BlueChoice, Inc.**  
**d.b.a. CareFirst BlueCross BlueShield**  
**(NAIC # 96202)**  
**Rate Filing #2342**

**DC Individual On Exchange Products**  
**Rates Effective 1/1/2020**

**Actuarial Value Calculations**

# User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☐ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Bronze

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

| Tier 1 Plan Benefit Design             |      |            |
|--|------|------------|
| Medical                                | Drug | Combined   |
| Deductible (\$)                        |      | \$8,150.00 |
| Coinsurance (% , Insurer's Cost Share) |      | 100.00%    |
| MOOP (\$)                              |      | \$8,150.00 |
| MOOP if Separate (\$)                  |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

[Click Here for Important Instructions](#)

| Type of Benefit  | Tier 1                                  |   |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                               | Tier 2                       |
|--|---|---|---------------------------|--------------------|---|---|---------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/>            |
| # Days (1-10):  |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input checked="" type="checkbox"/> |
| # Visits (1-10):  | 3                                   |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Output

Calculate

Status/Error Messages: Calculation Successful.  
 Actuarial Value: 61.79%  
 Metal Tier: Bronze

Additional Notes:

Calculation Time: 0.0625 seconds

Final 2020 AV Calculator

61.79%

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Plan Description:

Name: BlueChoice HMO Young Adult \$8,150  
 Plan HIOS ID: 86052DC0400004  
 Issuer HIOS ID: 86052



# User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☒ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Bronze

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

| Tier 1 Plan Benefit Design            |      |            |
|---------------------------------------|------|------------|
| Medical                               | Drug | Combined   |
| Deductible (\$)                       |      | \$6,200.00 |
| Coinurance (% , Insurer's Cost Share) |      | 80.00%     |
| MOOP (\$)                             |      | \$6,550.00 |
| MOOP if Separate (\$)                 |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                                  |   |                          |                    | Tier 2                                  |   |                          |                    | Tier 1                               | Tier 2                       |
|--|---|---|--------------------------|--------------------|---|---|--------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                     | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                     | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|  |                                     |
|--|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                    | <input checked="" type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                      | \$150                               |
| Set a Maximum Number of Days for Charging an IP Copay?                 | <input type="checkbox"/>            |
| # Days (1-10):   |                                     |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?          | <input type="checkbox"/>            |
| # Visits (1-10):   |                                     |
| Begin Primary Care Deductible/Coinurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):   |                                     |

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Expanded Bronze Standard (56% to 65%), Calculation Successful.

63.13%

Bronze

Additional Notes:

Calculation Time:

0.0938 seconds

Final 2020 AV Calculator

63.13%

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Plan Description:

Name: BlueChoice HMO HSA Standard Bronze \$6,200  
 Plan HIOS ID: 86052DC0400010  
 Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☒ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Bronze

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|                                      | Tier 1 Plan Benefit Design |          |          |
|--------------------------------------|----------------------------|----------|----------|
|                                      | Medical                    | Drug     | Combined |
| Deductible (\$)                      | \$7,250.00                 | \$750.00 |          |
| Coinsurance (% Insurer's Cost Share) | 60.00%                     | 100.00%  |          |
| MOOP (\$)                            | \$8,000.00                 |          |          |
| MOOP if Separate (\$)                |                            |          |          |

|  | Tier 2 Plan Benefit Design |      |          |
|--|----------------------------|------|----------|
|  | Medical                    | Drug | Combined |
|  |                            |      |          |
|  |                            |      |          |
|  |                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                               | Tier 2                       |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$55.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$100.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$55.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$500.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$55.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$80.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$75.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$100.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages: Expanded Bronze Standard (56% to 65%), Calculation Successful.  
 Actuarial Value: 64.85%  
 Metal Tier: Bronze

## Additional Notes:

Calculation Time: 0.0938 seconds

Final 2020 AV Calculator

64.85%

## Plan Description:

Name: BlueChoice HMO Standard Bronze \$7,250  
 Plan HIOS ID: 86052DC0400007  
 Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☐ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

| Tier 1 Plan Benefit Design          |            |          |
|-------------------------------------|------------|----------|
| Medical                             | Drug       | Combined |
| Deductible (\$)                     | \$4,000.00 | \$250.00 |
| Coinurance (% Insurer's Cost Share) | 80.00%     | 100.00%  |
| MOOP (\$)                           | \$8,000.00 |          |
| MOOP if Separate (\$)               |            |          |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                              |                                     |                          |                    | Tier 2                                  |   |                          |                    | Tier 1                               | Tier 2                       |
|--|-------------------------------------|-------------------------------------|--------------------------|--------------------|---|---|--------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?              | Subject to Coinsurance?             | Coinurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | \$350.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$80.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$65.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
|  | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$65.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  |                                     |                                     |                          |                    |   |   |                          |                    |                                      |                              |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                     | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                     | \$0.00             |                                      |                              |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$60.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$80.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | \$70.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                          | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|  |                          |
|--|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                    | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                      |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                 | <input type="checkbox"/> |
| # Days (1-10):   |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?          | <input type="checkbox"/> |
| # Visits (1-10):   |                          |
| Begin Primary Care Deductible/Coinurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):   |                          |

## Output

Calculate

Status/Error Messages: Calculation Successful.  
 Actuarial Value: 71.84%  
 Metal Tier: Silver

Additional Notes:

Calculation Time: 0.125 seconds

Final 2020 AV Calculator

71.84%

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Plan Description:

Name: BlueChoice HMO Standard Silver \$4,000  
 Plan HIOS ID: 86052DC0400001  
 Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?  
☒ Apply Inpatient Copay per Day?  
☒ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☐ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Gold

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

| Tier 1 Plan Benefit Design             |      |            |
|--|------|------------|
| Medical                                | Drug | Combined   |
| Deductible (\$)                        |      | \$1,500.00 |
| Coinsurance (% , Insurer's Cost Share) |      | 100.00%    |
| MOOP (\$)                              |      | \$3,000.00 |
| MOOP if Separate (\$)                  |      |            |

| Tier 2 Plan Benefit Design |      |          |
|----------------------------|------|----------|
| Medical                    | Drug | Combined |
|                            |      |          |
|                            |      |          |
|                            |      |          |

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| Type of Benefit  | Tier 1                                  |                              |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                                  | Tier 2                       |
|--|---|------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|---|------------------------------|
|  | Subject to Deductible?                  | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible?    |                              |
| <b>Medical</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$600.00           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialist Visit   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Speech Therapy   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>                | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$525.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$75.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input type="checkbox"/> All |
| Generics   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$70.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input checked="" type="checkbox"/> |
| # Days (1-10):  | 5                                   |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/>            |
| # Visits (1-10):  |                                     |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

Calculation Successful.

79.05%

Gold

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.0938 seconds

79.05%

## Plan Description:

Name: [Input Plan Name]

Plan HIOS ID: [Input Plan HIOS ID]

Issuer HIOS ID: [Input Issuer HIOS ID]

## Plan Description:

Name: BlueChoice HMO HSA Gold \$1,500

Plan HIOS ID: 86052DC0400011

Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☒ Apply Inpatient Copay per Day?  
☒ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☐ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|  | Tier 1 Plan Benefit Design |         |          |
|--|----------------------------|---------|----------|
|  | Medical                    | Drug    | Combined |
| Deductible (\$)                        | \$500.00                   | \$0.00  |          |
| Coinsurance (% , Insurer's Cost Share) | 100.00%                    | 100.00% |          |
| MOOP (\$)                              | \$4,650.00                 |         |          |
| MOOP if Separate (\$)                  |                            |         |          |

|  | Tier 2 Plan Benefit Design |      |          |
|--|----------------------------|------|----------|
|  | Medical                    | Drug | Combined |
|  |                            |      |          |
|  |                            |      |          |
|  |                            |      |          |

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| Type of Benefit  | Tier 1                              |                              |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                               | Tier 2                       |
|--|-------------------------------------|------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|--------------------------------------|------------------------------|
|  | Subject to Deductible?              | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input type="checkbox"/>     |                           | \$600.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$525.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$75.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$70.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>            | <input type="checkbox"/>     |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input checked="" type="checkbox"/> |
| # Days (1-10):  | 5                                   |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/>            |
| # Visits (1-10):  |                                     |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

Name: [Input Plan Name]  
Plan HIOS ID: [Input Plan HIOS ID]  
Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

81.94%

Gold

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time:

0.1094 seconds

Final 2020 AV Calculator

81.94%

## Plan Description:

Name: BlueChoice HMO Standard Gold \$500  
Plan HIOS ID: 86052DC0400002  
Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☒ Apply Inpatient Copay per Day?  
☒ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☐ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Platinum

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|  | Medical    | Drug    | Combined |
|--|------------|---------|----------|
| Deductible (\$)                        | \$0.00     | \$0.00  |          |
| Coinsurance (% , Insurer's Cost Share) | 100.00%    | 100.00% |          |
| MOOP (\$)                              | \$2,000.00 |         |          |
| MOOP if Separate (\$)                  |            |         |          |

|  | Medical | Drug | Combined |
|--|---------|------|----------|
|  |         |      |          |
|  |         |      |          |
|  |         |      |          |

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|  | Tier 1                       |                              |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                               | Tier 2                       |
|--|------------------------------|------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|--------------------------------------|------------------------------|
| Type of Benefit  | Subject to Deductible?       | Subject to Coinsurance?      | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$250.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
|  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  |                              |                              |                           |                    |   |   |                           |                    |                                      |                              |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>     | <input type="checkbox"/>     | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             |                                      |                              |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$175.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$75.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$5.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>     | <input type="checkbox"/>     |                           | \$100.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                                     |
|---|-------------------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/>            |
| Specialty Rx Coinsurance Maximum:                                       |                                     |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input checked="" type="checkbox"/> |
| # Days (1-10):  | 5                                   |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/>            |
| # Visits (1-10):  |                                     |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/>            |
| # Copays (1-10):  |                                     |

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

89.59%

Platinum

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

Additional Notes:

Calculation Time:

0.0938 seconds

Final 2020 AV Calculator

89.59%

## Plan Description:

Name: BlueChoice HMO Standard Platinum \$0  
 Plan HIOS ID: 86052DC0400008  
 Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☒ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Silver

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|                                      | Medical    | Drug     | Combined |
|--------------------------------------|------------|----------|----------|
| Deductible (\$)                      | \$3,350.00 | \$250.00 |          |
| Coinsurance (% Insurer's Cost Share) | 80.00%     | 100.00%  |          |
| MOOP (\$)                            | \$6,500.00 |          |          |
| MOOP if Separate (\$)                |            |          |          |

|  | Medical | Drug | Combined |
|--|---------|------|----------|
|  |         |      |          |
|  |         |      |          |
|  |         |      |          |
|  |         |      |          |

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|  | Tier 1                              |                                     |                           |                    | Tier 2                                  |   |                           |                    | Tier 1                               | Tier 2                       |
|--|-------------------------------------|-------------------------------------|---------------------------|--------------------|---|---|---------------------------|--------------------|--------------------------------------|------------------------------|
| Type of Benefit  | Subject to Deductible?              | Subject to Coinsurance?             | Coinsurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinsurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$350.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$80.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$300.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$65.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
|  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$65.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  |                                     |                                     |                           |                    |   |   |                           |                    |                                      |                              |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>            | <input type="checkbox"/>            | 100%                      | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                      | \$0.00             |                                      |                              |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$60.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$80.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                           |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All        | <input type="checkbox"/> All        |                           |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                           |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>            | <input type="checkbox"/>            |                           | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$70.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |                           | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                           |                    | <input checked="" type="checkbox"/>  | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|   |                          |
|---|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                     | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                       |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                  | <input type="checkbox"/> |
| # Days (1-10):  |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?           | <input type="checkbox"/> |
| # Visits (1-10):  |                          |
| Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):  |                          |

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 73% (200-250% FPL), Calculation Successful.

73.91%

Silver

Additional Notes:

Calculation Time:

8.9258 seconds

Final 2020 AV Calculator

73.91%

## Plan Description:

Name: BlueChoice HMO Standard Silver \$4,000 A  
 Plan HIOS ID: 86052DC0400001  
 Issuer HIOS ID: 86052

# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☒ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Gold

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|                                       | Medical    | Drug    | Combined |
|---------------------------------------|------------|---------|----------|
| Deductible (\$)                       | \$0.00     | \$0.00  |          |
| Coinurance (% , Insurer's Cost Share) | 85.00%     | 100.00% |          |
| MOOP (\$)                             | \$2,450.00 |         |          |
| MOOP if Separate (\$)                 |            |         |          |

|  | Medical | Drug | Combined |
|--|---------|------|----------|
|  |         |      |          |
|  |         |      |          |
|  |         |      |          |

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|  | Tier 1                       |                                     |                          |                    | Tier 2                                  |   |                          |                    | Tier 1                               | Tier 2                       |
|--|------------------------------|-------------------------------------|--------------------------|--------------------|---|---|--------------------------|--------------------|--------------------------------------|------------------------------|
| Type of Benefit  | Subject to Deductible?       | Subject to Coinsurance?             | Coinurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$60.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
|  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  |                              |                                     |                          |                    |   |   |                          |                    |                                      |                              |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>     | <input type="checkbox"/>            | 100%                     | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                     | \$0.00             |                                      |                              |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$40.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$60.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$15.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$70.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$150.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|  |                          |
|--|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                    | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                      |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                 | <input type="checkbox"/> |
| # Days (1-10):   |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?          | <input type="checkbox"/> |
| # Visits (1-10):   |                          |
| Begin Primary Care Deductible/Coinurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):   |                          |

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

CSR Level of 87% (150-200% FPL), Calculation Successful.

87.74%

Gold

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.1094 seconds

87.74%

## Plan Description:

Name: BlueChoice HMO Standard Silver \$4,000 B  
 Plan HIOS ID: 86052DC0400001  
 Issuer HIOS ID: 86052



# User Inputs for Plan Parameters

- ☐ Use Integrated Medical and Drug Deductible?  
☐ Apply Inpatient Copay per Day?  
☐ Apply Skilled Nursing Facility Copay per Day?  
☐ Use Separate MOOP for Medical and Drug Spending?  
☒ Indicate if Plan Meets CSR or Expanded Bronze AV Standard?  
 Desired Metal Tier: Platinum

| HSA/HRA Options   | Tiered Network Option                          |
|---|--|
| HSA/HRA Employer Contribution? <input type="checkbox"/> | Tiered Network Plan? <input type="checkbox"/>  |
| Annual Contribution Amount:                             | 1st Tier Utilization:<br>2nd Tier Utilization: |

|                                       | Medical    | Drug    | Combined |
|---------------------------------------|------------|---------|----------|
| Deductible (\$)                       | \$0.00     | \$0.00  |          |
| Coinurance (% , Insurer's Cost Share) | 95.00%     | 100.00% |          |
| MOOP (\$)                             | \$2,450.00 |         |          |
| MOOP if Separate (\$)                 |            |         |          |

|  | Medical | Drug | Combined |
|--|---------|------|----------|
|  |         |      |          |
|  |         |      |          |
|  |         |      |          |

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|  | Tier 1                       |                                     |                          |                    | Tier 2                                  |   |                          |                    | Tier 1                               | Tier 2                       |
|--|------------------------------|-------------------------------------|--------------------------|--------------------|---|---|--------------------------|--------------------|--------------------------------------|------------------------------|
| Type of Benefit  | Subject to Deductible?       | Subject to Coinsurance?             | Coinurance, if different | Copay, if separate | Subject to Deductible?                  | Subject to Coinsurance?                 | Coinurance, if different | Copay, if separate | Copay applies only after deductible? |                              |
| <b>Medical</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Emergency Room Services  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$100.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| All Inpatient Hospital Services (inc. MH/SUD)                                  | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays) | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$10.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialist Visit   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Mental/Behavioral Health and Substance Use Disorder Outpatient Services        | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$10.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Imaging (CT/PET Scans, MRIs)   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$100.00           | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Speech Therapy   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
|  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Occupational and Physical Therapy  |                              |                                     |                          |                    |   |   |                          |                    |                                      |                              |
| Preventive Care/Screening/Immunization   | <input type="checkbox"/>     | <input type="checkbox"/>            | 100%                     | \$0.00             | <input type="checkbox"/>                | <input type="checkbox"/>                | 100%                     | \$0.00             |                                      |                              |
| Laboratory Outpatient and Professional Services                                | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$20.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| X-rays and Diagnostic Imaging  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$30.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Skilled Nursing Facility   | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Facility Fee (e.g., Ambulatory Surgery Center)                      | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Outpatient Surgery Physician/Surgical Services                                 | <input type="checkbox"/>     | <input checked="" type="checkbox"/> |                          |                    | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| <b>Drugs</b>   | <input type="checkbox"/> All | <input type="checkbox"/> All        |                          |                    | <input checked="" type="checkbox"/> All | <input checked="" type="checkbox"/> All |                          |                    | <input type="checkbox"/> All         | <input type="checkbox"/> All |
| Generics   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$0.00             | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$10.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Non-Preferred Brand Drugs  | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$25.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |
| Specialty Drugs (i.e. high-cost)   | <input type="checkbox"/>     | <input type="checkbox"/>            |                          | \$50.00            | <input checked="" type="checkbox"/>     | <input checked="" type="checkbox"/>     |                          |                    | <input type="checkbox"/>             | <input type="checkbox"/>     |

## Options for Additional Benefit Design Limits:

|  |                          |
|--|--------------------------|
| Set a Maximum on Specialty Rx Coinsurance Payments?                    | <input type="checkbox"/> |
| Specialty Rx Coinsurance Maximum:                                      |                          |
| Set a Maximum Number of Days for Charging an IP Copay?                 | <input type="checkbox"/> |
| # Days (1-10):   |                          |
| Begin Primary Care Cost-Sharing After a Set Number of Visits?          | <input type="checkbox"/> |
| # Visits (1-10):   |                          |
| Begin Primary Care Deductible/Coinurance After a Set Number of Copays? | <input type="checkbox"/> |
| # Copays (1-10):   |                          |

## Plan Description:

Name: [Input Plan Name]  
 Plan HIOS ID: [Input Plan HIOS ID]  
 Issuer HIOS ID: [Input Issuer HIOS ID]

## Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Additional Notes:

Calculation Time:

Final 2020 AV Calculator

CSR Level of 94% (100-150% FPL), Calculation Successful.

93.95%

Platinum

NOTE: Service-specific cost-sharing is applying for service(s) with fac/prof components, overriding outpatient inputs for those service(s).

0.0938 seconds

93.95%

## Plan Description:

Name: BlueChoice HMO Standard Silver \$4,000 C  
 Plan HIOS ID: 86052DC0400001  
 Issuer HIOS ID: 86052

# CareFirst BlueCross BlueShield

## Part III Actuarial Memorandum

### 4.1 Redacted Actuarial Memorandum

CareFirst is making no redactions so both Actuarial Memorandum submissions are the same.

### 4.2 General Information Section

#### Company Identifying Information:

- **Company Legal Name:** CareFirst BlueChoice, Inc. (CFBC) - NAIC # 96202
- **State:** District of Columbia
- **HIOS Issuer ID:** 86052
- **Market:** Individual, Non-Medigap (On Exchange)
- **Effective Date:** 1/1/20 – 12/31/20
- **Company Filing Number:** 2342
- **SERFF Filing Number:** CFAP-131941478

#### Company Contact Information:

- **Primary Contact Name:** Mr. Cory Bream, ASA, MAAA
- **Primary Contact Telephone Number:** 410-998-5308
- **Primary Contact E-Mail Address:** Cory.Bream@CareFirst.com

### 4.3 Proposed Rate Changes (Individual market)

Base rates are changing 7.7% on average. The range is 4.4% to 10.9%. This filing applies to all new and renewing, in-force business in the guaranteed renewable, non-grandfathered, ACA, metaled benefit plans. The number of policyholders affected by this rate change is 3,659.

#### Reason for Rate Change(s):

The main drivers supporting the rate change are the deterioration in the base period experience of the combined pool, the re-introduction of the Health Insurer Fee in 2020, and a lower projected risk adjustment factor.

### 4.4 Market Experience (Combined Individual/Small Group market)

Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d).

#### 4.4.1 Experience and Current Period Premium, Claims, and Enrollment

The incurred period is 1/1/18 through 12/31/18, as required.

**Paid Through Date:** 2/28/19

**Current Date:** 2/28/19

**Premiums (prior to MLR rebates) in Experience Period:** \$210,277,846

**Experience Period Member Months:** 483,210

**Current Date Members:** 42,697

#### Allowed and Incurred Claims Incurred During the Experience Period

##### Allowed Claims

- **Processed through issuer's claim system:** \$188,625,834
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,940,530

#### **Incurred Claims**

- **Processed through issuer's claim system:** \$160,837,637
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,644,119

#### **Method used for determining Allowed Claims**

The allowed claims come directly from our claim records and account for capitations by applying contracted PMPM amounts directly to enrollment from the experience period. Drug rebates from the experience period are also included.

#### **Support for IBNR estimates**

Our estimates of IBNR paid claims were derived using a "chain and ladder" model based on the most recent 36 months to derive the completion factor and IBNR for each incurred month. Estimates of IBNR allowed claims were derived using the same completion factors as those estimated based on paid claims.

#### **4.4.2 Benefit Categories**

Inpatient (hospital), outpatient (hospital), professional, other medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, pediatric dental services and other), prescription drug & capitations.

#### **4.4.3 Projection Factors**

##### *4.4.3.1 Trend Factors*

#### **Trend Factors (Cost/Utilization):**

Exhibit 8 in the Memorandum contains our selected annual utilization and unit cost trends by service category. Unit cost and utilization trends were set by service category to produce the overall anticipated trend of 7.5%, which is a slight decrease compared to the 8.1% trend assumed in our prior filing. Current observed medical trends as of 201812 are 9.5%, down from 9.6% in 201712. The current observed drug trends are 7.4% as of 201812, down from 11.5% in 201712.

We note that the current drug observed trend as of 201812 is artificially depressed due to a structural formulary change effective 201801. The adjusted observed drug trend as of 201812 is 9.7%. The adjusted aggregate medical and drug trend is 9.6%.

When normalized for induced demand, network, and demographics, the composite 9.6% observed trend decreases to 6.6%.

In addition, we sought industry data to help inform our trend assumption. The table below was developed from two different industry surveys from national consultants. The medical and drug trends reported were blended using our base period experience to estimate composite trends.

| Percentile | 2019 OW Carrier Trend Report |      |      | 2019 Aon Carrier Trend Survey |      |      | Average |
|------------|------------------------------|------|------|-------------------------------|------|------|---------|
|            | HMO                          | PPO  | CDH  | HMO                           | PPO  | CDH  |         |
| 75th       | 8.2%                         | 9.5% | 9.9% | 8.8%                          | 9.2% | 9.2% | 9.1%    |
| 50th       | 7.4%                         | 7.9% | 8.3% | 8.1%                          | 7.6% | 7.8% | 7.9%    |
| 25th       | 5.3%                         | 6.6% | 6.7% | 6.5%                          | 6.1% | 6.1% | 6.2%    |

Based on this information we believe that our assumed 7.5% composite trend is well within the reasonable range of trend assumptions.

#### *4.4.3.2 Adjustments to Trended EHB Allowed Claims PMPM*

##### **Morbidity Adjustment:**

Exhibit 4 in our memorandum contains support for this adjustment. To measure the projected morbidity of our population, we split our projected population into cohorts defined by metal tier and membership type. Membership type is defined as new member, existing member, or transfer from other lines of business. Consistent with the rules in the 2020 Unified Rate Review Instructions, we began our morbidity projection by normalizing allowed claims for each of the cohorts outlined above for projected changes in age, gender, network and induced utilization.

We have not reflected any morbidity adjustments to the base period normalized allowed PMPMs by metal tier for the existing and transfer membership types. Exhibit 4 demonstrates how these PMPMs are unchanged from the current year YTD to remainder of current year. For the new membership type we have assumed a claims PMPM by metal equal to that of the existing members.

The resulting morbidity calculation is completed in steps split by year:

- Once the remainder of current year (2019) is completed, the membership and claims by metal are combined to derive a total estimate for the year.
- This result carries over to the rating year (2020) as the metal specific normalized PMPMs for the existing members.
- The assumed claims PMPMs by metal for the new members are again assumed to equal those for the existing members.
- Transfer members PMPMs are treated separately and reflect base period amounts projected forward. Our projection factor for these members is 1.000.
- Once these PMPMs are set, the final morbidity calculation is driven by the projected member months at these levels.

The total morbidity change from 2018 to 2020 is expected to be 0.6%, which is the factor used in Exhibit 1 in the calculation of the market adjustment index rate.

##### **Demographic Shift:**

Exhibit 6 in the Memorandum contains support for our adjustment due to the anticipated change in the average age of this population between the experience and projection periods. Our methodology measures the change in average demographic factor between the base and rating periods. The demographic factors used are from an internal age/gender curve with an approximate 4.5:1 ratio (age 64+ to age 21 factors). Factors for both time periods are weighted using member months and the ratio of the two is applied as our market level adjustment.

##### **Plan Design Changes:**

Exhibit 5 in the Memorandum details our support for this adjustment to account for anticipated changes in the average utilization of services due to differences in average cost sharing requirements between the experience and projection periods. Our methodology measures the change in the average induced utilization factor between the base and rating periods. The factors used are the metal level factors from the federal risk adjustment program. Once the average internal pricing AV, weighted by member months, is determined for both the experience and rating periods the linearly interpolated factor is determined. The ratio of these two factors is applied as our market level adjustment.

##### **Other Adjustments:**

Exhibit 7 in the Memorandum details our support for these adjustments. We are proposing additional other adjustments for changes to our capitation fees and drug rebates.

#### *4.4.3.3 Manual Rate Adjustments*

Not applicable, as experience was determined to be fully credible.

#### *4.4.3.4 Credibility of Experience*

Exhibit 2 in the Memorandum contains a summary of our base period experience, including member months. We have assigned full credibility to this experience.

#### *4.4.3.5 Establishing the Index Rate*

The experience period index rate for this filing is \$390.02 and the projection period index rate is \$451.52. Both rates and the adjustments made to develop the projected amount from the experience period amount can be found on Exhibit 1 of the Memorandum. Specifically, these adjustments correspond to those outlined in sections 4.4.3.1 and 4.4.3.2.

#### *4.4.3.6 Development of the Market-wide Adjusted Index Rate*

The Market-wide Adjusted Index Rate for the Individual market is \$568.39 and is derived by multiplying the projection period index rate with the market level adjustments for the risk adjustment program. Details for the risk adjustment program can be found below.

### **Reinsurance**

There are no reinsurance recoveries applicable to this market.

### **Risk Adjustment Payment/Charge:**

The Experience Period Risk Adjustment transfers in the URRT are based on the most recent Wakely results.

Our projected 2020 risk adjustment transfers, found in Exhibit 9, have been calculated consistent with our membership and morbidity projections found elsewhere in this filing. To project the risk adjustment factors from 2018 to 2020, we have assumed an increase in the statewide premium of 25.4% which reflects an estimate of an average 12.0% increase in 2019 and 12.0% increase in 2020. We have assumed that our market share will slightly drop from 79.3% in 2018 to 77.5% in 2020. We have assumed that our PLRS ratio to the state will worsen from 1.069 in 2018 to 1.080 in 2020. The resultant estimate of risk adjustment is that the BlueChoice payable transfer PMPM for the Individual market will increase from -\$45.99 in 2018 to -\$60.03 in 2020.

### **Exchange User Fees:**

There are no applicable exchange user fees since the rates in this filing are not offered on the Federal Marketplace.

#### **4.4.4 Plan Adjusted Index Rate**

Exhibit 11 in the Memorandum displays the adjustments made for each plan. Every plan adjusted index rate is developed from the market adjusted index rate using only the allowable plan level modifiers as follows:

- **Actuarial value and cost-sharing design of the plan:** The actuarial value for each plan was determined using our own internal model and estimates the ratio of paid to allowed dollars given that plan's benefit design and the assumed allowed amount consistent with the projection period

index rate. The URRT instructions state that this adjustment may "...take into account the benefit differences and *utilization differences due to differences in cost-sharing*." As a result, our plan adjusted index rates also include adjustments to account for the impact the metal level has on utilization.

- **Provider network:** All plans offered use the Open Access network.
- **Benefits in addition to EHBs:** There is an adjustment to account for abortion coverage and adult vision (which are offered in addition to EHBs).
- **Administrative costs:** See Exhibit 10A in the Memorandum for the assumed values of the following additional items.
  1. Administrative Expense (G&A)
  2. Broker Commissions & Fees
  3. Federal Income Tax (FIT)
  4. Contribution to Reserve (Post-Tax)
  5. State Premium Tax
  6. Health Insurer Fee (HIF)
  7. Risk Adjustment User Fee
  8. Exchange Assessment Fee
- **Catastrophic adjustment:** The catastrophic factor has been developed from the experience of the catastrophic population and is applied only to the catastrophic plan as required. See the Appendix in the Memorandum for more details. All other factors applied to the Market Adjusted Index Rate are the same across all plans.

For each plan, we have taken the applicable adjustment factor from each category above and multiplied them by the market adjusted index rate to derive each plan adjusted index rate.

#### 4.4.5 Calibration

##### Age Curve Calibration

We have calibrated to the rounded weighted average age which was determined as the age for the factor nearest our projected average factor. We have used the standard DC age curve factors and weighted them using member months in our calculation.

A demonstration of how the plan adjusted index rates and the age curve are used to generate the schedule of premium rates for each plan can be found on Exhibit 13.

##### Geographic Factor Calibration

We have elected not to rate for geographic region.

##### Tobacco Use Rating Factor Calibration

We have elected not to rate for tobacco usage.

#### 4.4.6 Consumer Adjusted Premium Rate Development

The premium rate that a given consumer will be charged is calculated by first taking the plan adjusted index rate for that member's chosen plan and dividing by the projected average age rating factor. The resulting value is the base rate for that plan. The final step in determining a consumer adjusted premium rate is to take the rate from the first step and multiply it by the corresponding factor for that member's age from the standard DC age curve. Rate charts are provided for all the consumer adjusted premiums.

## **4.5 Projected Loss Ratio**

The projected loss ratio for the rates provided in this file, using the Federally-prescribed MLR methodology, is 80.2% for the Individual market and 80.5% for the combined Individual/Small Group market. Details behind this calculation can be found in Exhibit 10B.

## **4.6 Plan Product Information**

### **4.6.1 AV Metal Values**

The majority of our 2020 plans include varying cost share levels for some services that depend on the setting in which care is delivered. The HHS AV calculator was used to compute two separate AVs for each impacted plan – one which applied the higher level of cost-share, and one which applied the lower level of cost-share. The results were blended assuming 81% of the designated services are rendered in higher cost-share setting and the remaining 19% at the lower, consistent with experience from our small group and individual markets. Plans without these features used the AV calculator without modification.

Additional details regarding the unique plan designs not accommodated by the HHS AV Calculator along with printouts for each plan are provided in the “Actuarial Memorandum” section of the Supporting Documentation tab of the SERFF filing.

### **4.6.2 Membership Projections**

The membership projections found in Worksheet 2 of the URRT were developed from enrollment as of 2/28/19 using assumptions for termination rates, new sales and transfers. The projections also incorporate any plan mappings anticipated between that month and the rating period. For new plan offerings where no plans are being uniformly modified into them, a minimum level of enrollment was assumed.

### **4.6.3 Plan Type**

Each plan in Worksheet 2, Section I of the URRT contains a plan type that describes the plan exactly.

## **4.7 Miscellaneous Instructions**

### **4.7.1 Effective Rate Review Information (Optional)**

We have no additional exhibits.

### **4.7.2 Reliance**

We do not have any reliance to state.

### **4.7.3 Actuarial Certification**

Included in the Memorandum.

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rate Filing # 2342  
D.C. Individual Products  
Rate Filing Effective 1/1/2020**

**Actuarial Memorandum**



**BlueChoice Inc.**  
**(NAIC # 96202)**  
**H.R. 3950 - Public Law 111-148 - Patient Protection and Affordable Care Act (ACA)**  
**D.C. Individual Products**  
**Rate Filing Effective 1/1/2020**  
**Actuarial Certification**

I, Cory Bream, am a(n) Actuarial Associate with CareFirst BlueChoice doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries (AAA) in good standing and have the education and experience necessary to perform the work. Rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the AAA's Code of Professional Conduct. While other ASOPs apply, a sample listing is below.

- i. ASOP No. 5, Incurred Health and Disability Claims
- ii. ASOP No. 8, Regulatory Filings for Health Plan Entities
- iii. ASOP No. 12, Risk Classification
- iv. ASOP No. 23, Data Quality
- v. ASOP No. 25, Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverages
- vi. ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health and Benefit Plans
- vii. ASOP No. 41, Actuarial Communications
- viii. ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance. Should new guidance be released, this filing may be revised. I certify that this filing has been prepared based on sound and commonly accepted actuarial principles, practices and assumptions in the aggregate for the legal entity.

I further certify the following:

1. The projected Index Rate is:
  - a. In compliance with all applicable state and Federal statutes and regulations (45 CFR § 156.80(d)(1) and 147.102).
  - b. Developed in compliance with the applicable Actuarial Standards of Practice.
  - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
  - d. Neither excessive nor deficient.
2. The Index Rate and only the allowable modifiers as described in 45 CFR § 156.80(d)(1) and 45 CFR § 156.80(d)(2) were used to generate plan level rates. These rates have been calibrated to account for age (geography and tobacco are not applicable).
3. Consistent with 45 CFR § 156.135, the 2020 HHS Actuarial Values (AV) Calculator was used to determine the AV metal values shown in Worksheet 2 of Part I of the Unified Rate Review Template (URRT) for all plans except those specified. Where necessary, the AVs of the benefits proposed have been calculated with minimal modifications to the AV calculator as described in the Actuarial Memorandum.

As a qualifier to the opinion, the URRT does not demonstrate the process used by the issuer to develop the rates. Rather it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Marketplaces, and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

**Cory Bream** Digitally signed by Cory Bream  
Date: 2019.05.23 17:14:31 -04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate  
CareFirst BlueCross BlueShield  
Mail Drop-Point 01-720  
10455 Mill Run Circle  
Owings Mills, MD 21117

### Exhibit 1 - Market Adjusted Index Rate Summary

|      |  | 2020      | Exhibit |
|------|--|-----------|---------|
| (1)  | Base Period Total Allowed                            | \$ 390.36 | 2       |
| (2)  | Base Period Non-EHB PMPM                             | \$ 0.34   | 2       |
| (3)  | Experience Period Index Rate                         | \$ 390.02 |         |
| (4)  | Change in Morbidity                                  | 1.0057    | 4       |
| (5)  | Additional Population Adjustment                     | 1.0000    |         |
| (6)  | Induced Demand                                       | 1.0036    | 5       |
| (7)  | Projection Period Utilization and Network Adjustment | 1.0000    |         |
| (8)  | Demographic Adjustment                               | 0.9923    | 6       |
| (9)  | Area Adjustment                                      | 1.0000    |         |
| (10) | Additional "Other" Adjustments                       | 1.0001    | 7       |
| (11) | Annualized Trend                                     | 7.5%      | 8       |
| (12) | Months of Trend                                      | 24.0      |         |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.1558    |         |
| (14) | Projection Period Index Rate                         | \$ 451.52 |         |
| (15) | Risk Adjustment Program                              | 1.2589    | 9       |
| (16) | Federal Exchange User Fee                            | 1.0000    |         |
| (17) | Market Adjusted Index Rate                           | \$ 568.39 |         |
|      | Without Risk Adjustment                              | \$ 451.52 |         |

**The projection period index rate was developed by projecting individual URRT service categories and then building up into a total PMPM. As a result the adjustments above may not match the referenced exhibits exactly because these represent the average factor when considering application at the service category level.**

## Exhibit 2 - Base Period Experience

| Service Category                       | Incurred  | Allowed            | Allowed PMPM | Utilization Description | Utilization per 1,000 | Average Cost/Service |    |           |
|--|-----------|--------------------|--------------|-------------------------|-----------------------|----------------------|----|-----------|
| Inpatient Hospital                     | \$        | 31,263,298         | \$           | 64.70                   | Admits                | 51.67                | \$ | 15,025.01 |
| Outpatient Hospital                    | \$        | 34,081,924         | \$           | 70.53                   | Visits                | 593.91               | \$ | 1,425.12  |
| Professional                           | \$        | 64,435,276         | \$           | 133.35                  | Visits                | 9,954.65             | \$ | 160.75    |
| Other Medical                          | \$        | 11,719,373         | \$           | 24.25                   | Services              | 1,336.37             | \$ | 217.78    |
| Capitation                             | \$        | 379,254            | \$           | 0.78                    | Benefit Period        | 1,000                | \$ | 9.42      |
| Prescription Drug                      | \$        | 46,746,709         | \$           | 96.74                   | Prescriptions         | 7,753.00             | \$ | 149.74    |
| <b>Total (EHB &amp; Non-EHB)</b>       | <b>\$</b> | <b>188,625,834</b> | <b>\$</b>    | <b>390.36</b>           |                       |                      |    |           |
| <b>EHB Allowed</b>                     | <b>\$</b> | <b>188,460,839</b> | <b>\$</b>    | <b>390.02</b>           |                       |                      |    |           |
| <b>Non-EHB Allowed</b>                 | <b>\$</b> | <b>164,996</b>     | <b>\$</b>    | <b>0.34</b>             |                       |                      |    |           |
| <b>Incurred Net</b>                    | <b>\$</b> | <b>160,837,637</b> | <b>\$</b>    | <b>332.85</b>           |                       |                      |    |           |
| <b>Net/Allowed</b>                     |           | <b>85.27%</b>      |              |                         |                       |                      |    |           |
| <b>Experience Period Member Months</b> |           | <b>483,210</b>     |              |                         |                       |                      |    |           |
| <b>Experience Period Revenue</b>       | <b>\$</b> | <b>210,277,846</b> |              |                         |                       |                      |    |           |

### Exhibit 3 - Non-EHB Adjustment

| HIOS Plan ID   | Plan Name                                  | Exchange | 2020 Index Rate | 2020 Non-EHB PMPM | 2020 Non-EHB Adjustment |
|----------------|--|----------|-----------------|-------------------|-------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$ 451.52       | \$ 2.73           | 1.0060                  |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$ 451.52       | \$ 2.30           | 1.0051                  |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$ 451.52       | \$ 5.21           | 1.0115                  |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$ 451.52       | \$ 2.94           | 1.0065                  |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$ 451.52       | \$ 2.11           | 1.0047                  |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$ 451.52       | \$ 3.01           | 1.0067                  |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$ 451.52       | \$ 2.43           | 1.0054                  |

Exhibit 4 - Morbidity Adjustment Factor

Base Year

| Metal Level     | Member Months  | 2018 Normalized Allowed PMPM |
|-----------------|----------------|------------------------------|
| Catastrophic    | 8,314          | \$ 80.94                     |
| Bronze          | 39,683         | \$ 131.73                    |
| Silver          | 111,862        | \$ 191.07                    |
| Gold            | 169,283        | \$ 210.46                    |
| Platinum        | 153,964        | \$ 236.35                    |
| <b>Subtotal</b> | <b>483,106</b> | <b>\$ 205.52</b>             |

Current Year YTD

| Existing        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 903           | \$ 87.07                     | 1.000                | \$ 87.07                              |
| Bronze          | 5,219         | \$ 125.51                    | 1.000                | \$ 125.51                             |
| Silver          | 15,115        | \$ 190.25                    | 1.000                | \$ 190.25                             |
| Gold            | 23,249        | \$ 205.55                    | 1.000                | \$ 205.55                             |
| Platinum        | 20,575        | \$ 238.16                    | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>65,061</b> | <b>\$ 204.24</b>             | <b>1.000</b>         | <b>\$ 204.24</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 348           | \$ 87.07   | 1.000                | \$ 87.07                              |
| Bronze          | 1,428         | \$ 125.51  | 1.000                | \$ 125.51                             |
| Silver          | 2,943         | \$ 190.25  | 1.000                | \$ 190.25                             |
| Gold            | 4,470         | \$ 205.55  | 1.000                | \$ 205.55                             |
| Platinum        | 3,507         | \$ 238.16  | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>12,696</b> | <b>\$ 198.76</b>                                 | <b>1.000</b>         | <b>\$ 198.76</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 70            | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 603           | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 1,945         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,451         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 2,207         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>7,276</b>  | <b>\$ 228.05</b>             | <b>1.000</b>         | <b>\$ 228.05</b>                      |

| Total           |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 1,321         | \$ 87.29                     | 1.000                | \$ 87.29                              |
| Bronze          | 7,250         | \$ 129.20                    | 1.000                | \$ 129.20                             |
| Silver          | 20,003        | \$ 191.07                    | 1.000                | \$ 191.07                             |
| Gold            | 30,170        | \$ 210.48                    | 1.000                | \$ 210.48                             |
| Platinum        | 26,289        | \$ 237.62                    | 1.000                | \$ 237.62                             |
| <b>Subtotal</b> | <b>85,033</b> | <b>\$ 205.46</b>             | <b>1.000</b>         | <b>\$ 205.46</b>                      |

Remainder of Current Year

| Existing        |                |                                       |
|-----------------|----------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 3,743          | \$ 87.07                              |
| Bronze          | 24,090         | \$ 125.51                             |
| Silver          | 79,441         | \$ 190.25                             |
| Gold            | 119,749        | \$ 205.55                             |
| Platinum        | 109,114        | \$ 238.16                             |
| <b>Subtotal</b> | <b>336,137</b> | <b>\$ 205.46</b>                      |

| New             |               |                                       |
|-----------------|---------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,585         | \$ 87.07                              |
| Bronze          | 8,897         | \$ 125.51                             |
| Silver          | 13,352        | \$ 190.25                             |
| Gold            | 21,812        | \$ 205.55                             |
| Platinum        | 13,638        | \$ 238.16                             |
| <b>Subtotal</b> | <b>60,284</b> | <b>\$ 192.65</b>                      |

| Transfer        |               |                                       |
|-----------------|---------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 340           | \$ 91.21                              |
| Bronze          | 2,704         | \$ 169.89                             |
| Silver          | 6,703         | \$ 198.66                             |
| Gold            | 9,174         | \$ 266.27                             |
| Platinum        | 7,246         | \$ 231.76                             |
| <b>Subtotal</b> | <b>26,167</b> | <b>\$ 227.16</b>                      |

| Total           |                |                                       |
|-----------------|----------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,668          | \$ 87.28                              |
| Bronze          | 35,691         | \$ 128.87                             |
| Silver          | 99,496         | \$ 190.82                             |
| Gold            | 150,735        | \$ 209.24                             |
| Platinum        | 129,998        | \$ 237.80                             |
| <b>Subtotal</b> | <b>422,588</b> | <b>\$ 204.98</b>                      |

Total Current Year

| Total           | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
|-----------------|----------------|---------------------------------------|
| Catastrophic    | 7,989          | \$ 87.28                              |
| Bronze          | 42,941         | \$ 128.93                             |
| Silver          | 119,499        | \$ 190.86                             |
| Gold            | 180,905        | \$ 209.45                             |
| Platinum        | 156,287        | \$ 237.77                             |
| <b>Subtotal</b> | <b>507,621</b> | <b>\$ 205.06</b>                      |

Rating Year

| Existing        |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,169          | \$ 87.28                     | 1.000                | \$ 87.28                              |
| Bronze          | 35,159         | \$ 128.93                    | 1.000                | \$ 128.93                             |
| Silver          | 104,278        | \$ 190.86                    | 1.000                | \$ 190.86                             |
| Gold            | 122,399        | \$ 209.45                    | 1.000                | \$ 209.45                             |
| Platinum        | 178,100        | \$ 237.77                    | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>446,105</b> | <b>\$ 208.38</b>             | <b>1.000</b>         | <b>\$ 208.38</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,918         | \$ 87.28   | 1.000                | \$ 87.28                              |
| Bronze          | 9,972         | \$ 128.93  | 1.000                | \$ 128.93                             |
| Silver          | 14,742        | \$ 190.86  | 1.000                | \$ 190.86                             |
| Gold            | 16,206        | \$ 209.45  | 1.000                | \$ 209.45                             |
| Platinum        | 17,038        | \$ 237.77  | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>60,876</b> | <b>\$ 193.83</b>                                 | <b>1.000</b>         | <b>\$ 193.83</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 300           | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 2,052         | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 2,724         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,028         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 1,740         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>8,844</b>  | <b>\$ 210.35</b>             | <b>1.000</b>         | <b>\$ 210.35</b>                      |

| Total           |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 9,387          | \$ 87.41                     | 1.000                | \$ 87.41                              |
| Bronze          | 47,183         | \$ 130.71                    | 1.000                | \$ 130.71                             |
| Silver          | 121,744        | \$ 191.03                    | 1.000                | \$ 191.03                             |
| Gold            | 140,633        | \$ 210.27                    | 1.000                | \$ 210.27                             |
| Platinum        | 196,878        | \$ 237.72                    | 1.000                | \$ 237.72                             |
| <b>Subtotal</b> | <b>515,825</b> | <b>\$ 206.69</b>             | <b>1.000</b>         | <b>\$ 206.69</b>                      |

| Year | Adjusted Normalized PMPM | Year over Year Change |
|------|--------------------------|-----------------------|
| 2018 | \$ 205.52                | n/a                   |
| 2019 | \$ 205.06                | -0.2%                 |
| 2020 | \$ 206.69                | 0.8%                  |

|                             |        |
|-----------------------------|--------|
| Morbidity Adjustment Change | 0.6%   |
| Morbidity Adjustment Factor | 1.0057 |

### Exhibit 5 - Induced Utilization Adjustment Factor

| Year                   | Actuarial Value | Induced Demand Factor |         |
|------------------------|-----------------|-----------------------|---------|
| (1) 2018               | 78.33%          | 1.0716                |         |
| (2) Projected 2020     | 79.10%          | 1.0755                |         |
| (3) <b>Adjustment*</b> |                 | <b>1.0036</b>         | (2)/(1) |

**\*Applied to all service categories except capitations**

### Exhibit 6 - Demographic Adjustment

|     | Period                           | Cohort     | Demo Factor*  | Weight | Average Age** |
|-----|----------------------------------|------------|---------------|--------|---------------|
| (1) | Base Period                      | All        | 1.6526        | 100.0% | 34.0          |
| (2) | Rating Period                    | Existing   | 1.6594        | 86.5%  |               |
|     |                                  | New        | 1.5005        | 11.8%  |               |
|     |                                  | Transfer   | 1.6150        | 1.7%   |               |
| (3) | Rating Period                    | All        | 1.6399        | 100.0% | 33.8          |
| (4) | <b>Demographic Adjustment***</b> | <b>All</b> | <b>0.9923</b> |        |               |

(3) / (1)

\*Demo factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*Average ages are member weighted

\*\*\*Applied to all service categories except capitations

# Exhibit 7 - Factors for Additional "Other" Adjustments

## Capitation adjustment

|     |  |               |         |
|-----|--|---------------|---------|
| (1) | EP Capitation PMPM                       | \$ 0.54       |         |
| (2) | Projected Capitations PMPM               | \$ 0.79       |         |
| (3) | <b>Adjustment to Capitation Category</b> | <b>1.4615</b> | (2)/(1) |

## Drug Rebates adjustment

|     |  |               |         |
|-----|--|---------------|---------|
| (4) | Experience Period Allowed Rx PMPM (Pre-Rebate) | \$ 113.95     |         |
| (5) | Experience Pharmacy Rebates PMPM               | \$ 17.21      |         |
| (6) | Projected Pharmacy Rebates PMPM                | \$ 15.27      |         |
| (7) | Post-Rebate Rx PMPM (using Experience Rebates) | \$ 96.74      |         |
| (8) | Post-Rebate Rx PMPM (using Projected Rebates)  | \$ 98.69      |         |
| (9) | <b>Adjustment to Drug Category</b>             | <b>1.0201</b> | (8)/(7) |

## Formulary Adjustments

|      |  |               |                             |
|------|--|---------------|-----------------------------|
| (10) | Experience Period Allowed Rx PMPM (Pre-Rebate, existing formulary) | \$ 113.95     |                             |
| (11) | Ingredient cost Adjustment Factor                                  | 0.9812        |                             |
| (12) | Experience Period Allowed Rx PMPM (Pre-Rebate, new formulary)      | \$ 111.81     | (10)*(11)                   |
| (13) | Projection Period Pharmacy Rebates PMPM                            | \$ 15.27      |                             |
| (14) | <b>Adjustment to Drug Category</b>                                 | <b>0.9783</b> | [(12) - (13)]/[(10) - (13)] |

|                     | PMPM             | Adjustment    |          |
|---------------------|------------------|---------------|----------|
| Inpatient Hospital  | \$ 72.81         | 1.0000        |          |
| Outpatient Hospital | \$ 77.92         | 1.0000        |          |
| Professional        | \$ 159.12        | 1.0000        |          |
| Other Medical       | \$ 31.20         | 1.0000        |          |
| Capitation          | \$ 0.54          | 1.4615        | (3)      |
| Prescription Drug   | \$ 109.90        | 0.9980        | (9)*(14) |
| <b>Total</b>        | <b>\$ 451.49</b> | <b>1.0001</b> |          |

PMPM weights are set equal projected PMPM without "other" adj.



### Exhibit 8 - Annual Trend Assumptions

|                            | 2018 PMPM | Weight | Utilization/1,000 | Unit Cost | Composite     |
|----------------------------|-----------|--------|-------------------|-----------|---------------|
| <b>Inpatient Hospital</b>  | \$ 64.70  | 16.6%  | 1.0600            | 1.0000    | 1.0600        |
| <b>Outpatient Hospital</b> | \$ 70.53  | 18.1%  | 1.0400            | 1.0100    | 1.0504        |
| <b>Professional</b>        | \$ 133.35 | 34.2%  | 1.0600            | 1.0300    | 1.0918        |
| <b>Other Medical</b>       | \$ 24.25  | 6.2%   | 1.0900            | 1.0400    | 1.1336        |
| <b>Capitation</b>          | \$ 0.78   | 0.2%   | 1.0000            | 1.0000    | 1.0000        |
| <b>Prescription Drug</b>   | \$ 96.74  | 24.8%  | 1.0000            | 1.0650    | 1.0650        |
| <b>Total</b>               | \$ 390.36 | 100.0% |                   |           | 1.0748        |
| <b>Proposed Trend</b>      |           |        |                   |           | <b>1.0751</b> |

### Exhibit 9 - Risk Adjustment

#### 2018

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 8,500         | 15.0%        | 0.3039 | 0.7352 | -\$1,712     | -\$0.20   |
| Bronze        | 23,271        | 41.1%        | 0.6527 | 1.1764 | -\$3,688,344 | -\$158.49 |
| Silver        | 14,062        | 24.9%        | 1.5123 | 1.1745 | -\$55,131    | -\$3.92   |
| Gold          | 7,134         | 12.6%        | 1.7616 | 1.0794 | \$289,819    | \$40.62   |
| Platinum      | 3,601         | 6.4%         | 2.6648 | 1.0803 | \$853,646    | \$237.06  |
| Total         | 56,568        | 100.0%       | 1.0819 | 1.0913 | -\$2,601,722 | -\$45.99  |

#### Statewide 2018

#### Statewide PMPM 2018

|                             |         |  |        |        |    |        |
|-----------------------------|---------|--|--------|--------|----|--------|
| Catastrophic                | 9,196   |  | 0.3044 | 0.7349 | \$ | 97.07  |
| Individual Non-Catastrophic | 193,564 |  | 1.4362 | 1.0921 | \$ | 373.87 |

#### 2020

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 9,387         | 16.8%        | 0.2697 | 0.5970 | -\$18,719    | -\$1.99   |
| Bronze        | 26,596        | 47.6%        | 0.5615 | 1.1441 | -\$5,222,481 | -\$196.36 |
| Silver        | 12,831        | 22.9%        | 1.4061 | 1.1375 | \$368,974    | \$28.76   |
| Gold          | 4,666         | 8.3%         | 1.8198 | 1.0737 | \$669,107    | \$143.40  |
| Platinum      | 2,451         | 4.4%         | 2.4598 | 1.0523 | \$845,432    | \$344.93  |
| Total         | 55,931        | 100.0%       | 0.8945 | 1.0409 | -\$3,357,686 | -\$60.03  |

#### Statewide 2020

#### Statewide PMPM 2020

|                             |         |  |        |        |    |        |
|-----------------------------|---------|--|--------|--------|----|--------|
| Catastrophic                | 9,986   |  | 0.2741 | 0.5968 | \$ | 121.76 |
| Individual Non-Catastrophic | 183,066 |  | 1.2797 | 1.0917 | \$ | 468.98 |

#### Adjustment Factor applied to Market Adjusted Index Rate

| Projected Index Rate | Projected Transfer PMPM (Allowed basis) | Risk Adjustment User Fee | Adjustment Factor* |
|----------------------|---|--------------------------|--------------------|
| \$451.52             | -\$116.70                               | \$0.18                   | 1.2589             |

\*Adjustment Factor = (\$451.52 - \$-116.7+ \$0.18) / \$451.52

# Exhibit 10A - Desired Incurred Claims Ratio

|                                       | 2020       |              |
|---------------------------------------|------------|--------------|
|                                       | PMPM       | % of Revenue |
| Allowed Claims                        | \$ 452.66  |              |
| Paid/Allowed Ratio                    | 51.4%      |              |
| Paid Claims & Capitations             | \$ 232.87  |              |
| Risk Adjustment Transfer (Paid Basis) | \$ (60.03) |              |
| Reinsurance Recoveries (Paid Basis)   | \$ -       |              |
| Paid Claims & Capitations (Post-3Rs)  | \$ 292.90  | 76.6%        |
| Administrative Expense                | \$ 64.23   | 16.8%        |
| Broker Commissions & Fee              | \$ 2.05    | 0.5%         |
| Contribution to Reserve (Post-Tax)    | \$ 1.53    | 0.4%         |
| Investment Income Credit              | \$ (0.38)  | -0.1%        |
| Risk Charge                           | \$ -       | 0.0%         |
| <u>Non-ACA Taxes &amp; Fees</u>       |            |              |
| State Premium Tax                     | \$ 7.65    | 2.0%         |
| State Assessment Fee                  | \$ 0.38    | 0.1%         |
| Reinsurance Program Fee               | \$ -       | 0.0%         |
| State Income Tax                      | \$ -       | 0.0%         |
| Federal Income Tax                    | \$ 0.38    | 0.1%         |
| <u>ACA Taxes &amp; Fees</u>           |            |              |
| Health Insurer Tax                    | \$ 9.68    | 2.5%         |
| Risk Adjustment User Fee              | \$ 0.18    | 0.0%         |
| Exchange Assessment Fee               | \$ 3.82    | 1.0%         |
| Federal Exchange User Fee             | \$ -       | 0.0%         |
| BlueRewards/Incentive Program         | \$ -       | 0.0%         |
| Total Revenue                         | \$ 382.42  | 100.0%       |
| Plan Level Admin Load Adjustment      | 1.3048     |              |
| Projected Member Months               | 55,931     |              |
| Average Members                       | 4,661      |              |
| % Total 2020                          | 100.0%     |              |

## Exhibit 10B - Federal MLR

|  | Total 2020<br>PMPM / % |
|--|------------------------|
| <u>Traditional MLR Development</u>             |                        |
| Paid Claims & Capitations (Post-3Rs)           | \$ 292.90              |
| Total Revenue                                  | \$ 382.42              |
| <hr/>  |                        |
| Traditional MLR (i.e. DICR)                    | 76.6%                  |
| <br><u>Federal MLR Development</u>             |                        |
| Numerator Adjustments                          |                        |
| BlueRewards/Incentive Program                  | \$ -                   |
| Quality Improvement Expenses                   | \$ 1.69                |
| Removal of non-care costs under MLR guidelines | \$ (5.75)              |
| <br>Denominator Adjustments                    |                        |
| Non-ACA Taxes & Fees                           | \$ 8.41                |
| ACA Taxes & Fees                               | \$ 13.69               |
| <br>Federal MLR Numerator                      | <br>\$ 288.84          |
| Federal MLR Denominator                        | \$ 360.32              |
| <hr/>  |                        |
| Federal MLR                                    | 80.2%                  |
| <br>Projected Member Months                    | <br>55,931             |

# **Exhibit 10B - Federal MLR (Combined SG & Individual)**

|  | Total 2020<br>PMPM / % |
|--|------------------------|
| <b><u>Traditional MLR Development</u></b>      |                        |
| Paid Claims & Capitations (Post-3Rs)           | \$ 393.75              |
| Total Revenue                                  | \$ 517.66              |
| Traditional MLR (i.e. DICR)                    | 76.1%                  |
| <b><u>Federal MLR Development</u></b>          |                        |
| <b>Numerator Adjustments</b>                   |                        |
| BlueRewards/Incentive Program                  | \$ 0.35                |
| Quality Improvement Expenses                   | \$ 2.82                |
| removal of non-care costs under MLR guidelines | \$ (5.99)              |
| <b>Denominator Adjustments</b>                 |                        |
| Non-ACA Taxes & Fees                           | \$ 13.77               |
| ACA Taxes & Fees                               | \$ 18.46               |
| Federal MLR Numerator                          | \$ 390.93              |
| Federal MLR Denominator                        | \$ 485.43              |
| Federal MLR                                    | 80.5%                  |
| Projected Member Months                        | 515,825                |

**Exhibit 11 - Plan Adjusted Index Rates**

| HIOS Plan ID   | Plan Name                                  | Plan Type | Metallic Tier | Exchange | Network     | Market Adjusted Index Rate | Internal Pricing AV | Network Factor | Induced Utilization | Non-EHB | Catastrophic Adjustment | Admin  | Plan Adjusted Index Rate |
|----------------|--|-----------|---------------|----------|-------------|----------------------------|---------------------|----------------|---------------------|---------|-------------------------|--------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | HMO       | SILVER        | On       | Open Access | \$568.39                   | 0.6387              | 0.9540         | 0.9526              | 1.0060  | 1.0000                  | 1.3048 | \$433.09                 |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | HMO       | GOLD          | On       | Open Access | \$568.39                   | 0.8216              | 0.9540         | 0.9940              | 1.0051  | 1.0000                  | 1.3048 | \$580.79                 |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | HMO       | CATASTROPHIC  | On       | Open Access | \$568.39                   | 0.5425              | 0.9540         | 0.9210              | 1.0115  | 0.4892                  | 1.3048 | \$174.93                 |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | HMO       | BRONZE        | On       | Open Access | \$568.39                   | 0.5862              | 0.9540         | 0.9210              | 1.0065  | 1.0000                  | 1.3048 | \$384.49                 |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | HMO       | PLATINUM      | On       | Open Access | \$568.39                   | 0.9124              | 0.9540         | 1.0590              | 1.0047  | 1.0000                  | 1.3048 | \$686.83                 |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO       | BRONZE        | On       | Open Access | \$568.39                   | 0.5638              | 0.9540         | 0.9210              | 1.0067  | 1.0000                  | 1.3048 | \$369.86                 |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | HMO       | GOLD          | On       | Open Access | \$568.39                   | 0.7474              | 0.9540         | 0.9940              | 1.0054  | 1.0000                  | 1.3048 | \$528.49                 |

### Exhibit 12 - AV Values

| HIOS Plan ID   | Suffix | HIOS Plan Name                             | HHS AV |
|----------------|--------|--|--------|
| 86052DC0400001 | 01     | BlueChoice HMO Standard Silver \$4,000     | 0.7184 |
| 86052DC0400001 | 02     | BlueChoice HMO Standard Silver \$4,000 NAO | 1.0000 |
| 86052DC0400001 | 03     | BlueChoice HMO Standard Silver \$4,000 NAL | 0.7184 |
| 86052DC0400001 | 04     | BlueChoice HMO Standard Silver \$4,000 A   | 0.7391 |
| 86052DC0400001 | 05     | BlueChoice HMO Standard Silver \$4,000 B   | 0.8774 |
| 86052DC0400001 | 06     | BlueChoice HMO Standard Silver \$4,000 C   | 0.9395 |
| 86052DC0400002 | 01     | BlueChoice HMO Standard Gold \$500         | 0.8194 |
| 86052DC0400002 | 02     | BlueChoice HMO Standard Gold \$500 NAO     | 1.0000 |
| 86052DC0400002 | 03     | BlueChoice HMO Standard Gold \$500 NAL     | 0.8194 |
| 86052DC0400004 | 01     | BlueChoice HMO Young Adult \$8,150         | 0.6179 |
| 86052DC0400007 | 01     | BlueChoice HMO Standard Bronze \$7,250     | 0.6485 |
| 86052DC0400007 | 02     | BlueChoice HMO Standard Bronze \$7,250 NAO | 1.0000 |
| 86052DC0400007 | 03     | BlueChoice HMO Standard Bronze \$7,250 NAL | 0.6485 |
| 86052DC0400008 | 01     | BlueChoice HMO Standard Platinum \$0       | 0.8959 |
| 86052DC0400008 | 02     | BlueChoice HMO Standard Platinum \$0 NAO   | 1.0000 |
| 86052DC0400008 | 03     | BlueChoice HMO Standard Platinum \$0 NAL   | 0.8959 |
| 86052DC0400010 | 01     | BlueChoice HMO HSA Standard Bronze \$6,200 | 0.6313 |
| 86052DC0400010 | 02     | BlueChoice HMO Standard Bronze \$6,200 NAO | 1.0000 |
| 86052DC0400010 | 03     | BlueChoice HMO Standard Bronze \$6,200 NAL | 0.6313 |
| 86052DC0400011 | 01     | BlueChoice HMO HSA Gold \$1,500            | 0.7905 |
| 86052DC0400011 | 02     | BlueChoice HMO Gold \$1,500 NAO            | 1.0000 |
| 86052DC0400011 | 03     | BlueChoice HMO Gold \$1,500 NAL            | 0.7905 |

### Exhibit 13 - Age Calibration

| Age Curve Calibration |                 |          |                |        |               |
|-----------------------|-----------------|----------|----------------|--------|---------------|
|                       | Period          | Cohort   | Rating Factor* | Weight | Average Age** |
| (1)                   | Rating Period   | Existing | 1.0502         | 86.5%  |               |
|                       |                 | New      | 0.9751         | 11.8%  |               |
|                       |                 | Transfer | 1.0296         | 1.7%   |               |
| (2)                   | Rating Period   | All      | 1.0410         | 100.0% | 41.7          |
| (3)                   | Nearest Rounded | All      | 1.0530         |        | 42.0          |
| (4)                   | Calibration***  | All      | 1.0115         |        |               |

(3)/(2)

| Premium Rate Demonstration |  |  |
|----------------------------|--|--|
|                            | HIOS Plan Name                                       | BlueChoice HMO Standard Silver \$4,000 |
| (5)                        | Plan Adjusted Index Rate                             | \$433.09                               |
| (6)                        | Calibration  | 1.0115 (4)                             |
| (7)                        | Calibrated Rate                                      | \$438.09 (5)*(6)                       |
| (8)                        | Age 40 Factor/Rounded Avg Age Factor = (0.975/1.053) | 0.9259                                 |
| (9)                        | Age 40 Premium Rate                                  | \$405.64 (7)*(8)                       |

\*Rating factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*The rating period average age is determined from the member weighted average factor. Specifically it is linearly interpolated using the two age factors on the curve surrounding the member weighted average factor.

\*\*\*Applied uniformly to all plans



## Exhibit 14 - Age Factors

| Age  | Factor |
|------|--------|
| <=14 | 0.654  |
| 15   | 0.654  |
| 16   | 0.654  |
| 17   | 0.654  |
| 18   | 0.654  |
| 19   | 0.654  |
| 20   | 0.654  |
| 21   | 0.727  |
| 22   | 0.727  |
| 23   | 0.727  |
| 24   | 0.727  |
| 25   | 0.727  |
| 26   | 0.727  |
| 27   | 0.727  |
| 28   | 0.744  |
| 29   | 0.760  |
| 30   | 0.779  |
| 31   | 0.799  |
| 32   | 0.817  |
| 33   | 0.836  |
| 34   | 0.856  |
| 35   | 0.876  |
| 36   | 0.896  |
| 37   | 0.916  |
| 38   | 0.927  |
| 39   | 0.938  |
| 40   | 0.975  |
| 41   | 1.013  |
| 42   | 1.053  |
| 43   | 1.094  |
| 44   | 1.137  |
| 45   | 1.181  |
| 46   | 1.227  |
| 47   | 1.275  |
| 48   | 1.325  |
| 49   | 1.377  |
| 50   | 1.431  |
| 51   | 1.487  |
| 52   | 1.545  |
| 53   | 1.605  |
| 54   | 1.668  |
| 55   | 1.733  |
| 56   | 1.801  |
| 57   | 1.871  |
| 58   | 1.944  |
| 59   | 2.020  |
| 60   | 2.099  |
| 61   | 2.181  |
| 62   | 2.181  |
| 63   | 2.181  |
| 64+  | 2.181  |

**Exhibit 15 - Induced Utilization Factors**

| CDH/Non-CDH | Projected Member Months | Relative to HSA/HRA | Relative to Average |
|-------------|-------------------------|---------------------|---------------------|
| HSA/HRA     | 153,085                 | 1.0000              | 1.0000              |
| Non-CDH     | 362,740                 | 1.0000              | 1.0000              |
|             | <b>515,825</b>          | <b>1.0000</b>       |                     |

| Full HIOS Plan ID | Base HIOS Plan ID | Plan Name                                  | Metal Level  | Relative to Bronze | Projected Member Months | Relative to Average (Pool) | Relative to Average (CSR) |
|-------------------|-------------------|--|--------------|--------------------|-------------------------|----------------------------|---------------------------|
| 86052DC040000101  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER       | 1.0300             | 11,351                  | 0.9480                     | 0.9526                    |
| 86052DC040000102  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAO | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000103  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAL | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000104  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 A   | SILVER       | 1.0300             | 948                     | 0.9480                     | 0.9526                    |
| 86052DC040000105  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 B   | SILVER       | 1.1500             | 209                     | 1.0590                     | 0.9526                    |
| 86052DC040000106  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 C   | SILVER       | 1.1500             | 323                     | 1.0590                     | 0.9526                    |
| 86052DC040000201  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD         | 1.0800             | 3,134                   | 0.9940                     | 0.9940                    |
| 86052DC040000202  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAO     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000203  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAL     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000401  | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC | 1.0000             | 9,387                   | 0.9210                     | 0.9210                    |
| 86052DC040000701  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE       | 1.0000             | 8,877                   | 0.9210                     | 0.9210                    |
| 86052DC040000702  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAO | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000703  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000801  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM     | 1.1500             | 2,451                   | 1.0590                     | 1.0590                    |
| 86052DC040000802  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAO   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040000803  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAL   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040001001  | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE       | 1.0000             | 17,689                  | 0.9210                     | 0.9210                    |
| 86052DC040001002  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAO | BRONZE       | 1.0000             | 30                      | 0.9210                     | 0.9210                    |
| 86052DC040001003  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040001101  | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD         | 1.0800             | 1,532                   | 0.9940                     | 0.9940                    |
| 86052DC040001102  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAO            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040001103  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAL            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |

## Appendix - Network Factors

| Network Type          | Proposed Products Using This Network | Description   |
|-----------------------|--------------------------------------|---|
| Lock In / Referral    | BlueChoice HMO Referral              | Referrals needed for Specialist Care, No Out of Network Coverage.   |
| Open Access           | BlueChoice HMO                       | No Referrals needed for Specialist, No Out of Network Coverage.   |
| Open Access Opt-Out   | BlueChoice Plus Opt-Out              | No Referrals needed for Specialist, Out of Network Benefits pay up to In Network allowance, Member may be balance billed.           |
| Open Access Plus      | BlueChoice Plus                      | No Referrals needed, Out of Network allowances pay up to Regional Preferred Network (RPN) allowance.                                |
| Open Access Advantage | BlueChoice Advantage                 | No Referrals needed, Out of Network allowance pay up to RPN allowance, Out of Area BlueCard considered In Network for cost-sharing. |

| Network Type          | Projected Member Months | Relative to Lock In / Referral | Relative to Average |
|-----------------------|-------------------------|--------------------------------|---------------------|
| Lock In / Referral    | 57,470                  | 1.0000                         | 0.9084              |
| Open Access           | 133,984                 | 1.0500                         | 0.9539              |
| Open Access Opt-Out   | 43,063                  | 1.0612                         | 0.9640              |
| Open Access Plus      | 65,472                  | 1.0724                         | 0.9742              |
| Open Access Advantage | 215,836                 | 1.1757                         | 1.0680              |
| <b>Total</b>          | <b>515,825</b>          | <b>1.1008</b>                  |                     |

Factors are applied as plan level adjustments

## Appendix - Catastrophic Plans Adjustment

### Step 1: Normalize Experience Period Catastrophic PMPM

|                          | Catastrophic    | Non-Catastrophic | Total (single risk pool) |
|--------------------------|-----------------|------------------|--------------------------|
| Member Months            | 8,314           | 47,600           | 55,914                   |
| Distribution             | 14.9%           | 85.1%            |                          |
| Completed Allowed        | \$816,637       | \$19,706,432     | \$20,523,069             |
| Allowed PMPM             | \$98.22         | \$414.00         | \$367.05                 |
| Age Rating Factor        | 0.7396          | 1.1694           | 1.1055                   |
| Induced Demand Factor    | 1.0000          | 1.0331           | 1.0282                   |
| Actuarial Value          | 1.0000          | 1.0000           | 1.0000                   |
| <b>Net Factor</b>        | <b>0.7396</b>   | <b>1.2081</b>    | <b>1.1384</b>            |
| <b>Normalized Factor</b> | <b>1.5393</b>   | <b>0.9423</b>    | <b>1.0000</b>            |
| <b>Normalized PMPM</b>   | <b>\$151.20</b> | <b>\$390.13</b>  | <b>\$367.05</b>          |

### Step 2: Apply Credibility to Normalized Catastrophic PMPM

|     |  |          |                       |
|-----|--|----------|-----------------------|
| (1) | Normalized Catastrophic PMPM             | \$151.20 |                       |
| (2) | Member Months                            | 8,314    |                       |
| (3) | Full Credibility (Member Months)         | 24,000   |                       |
| (4) | Credibility                              | 58.9%    |                       |
| (5) | Normalized Non-Catastrophic PMPM         | \$390.13 |                       |
| (6) | Morbidity Adjustment*                    | 0.5642   | (a)/(b)               |
| (7) | Morbidity-Adjusted Non-Catastrophic PMPM | \$220.11 | (5)*(6)               |
| (8) | Cred-Adjusted Catastrophic PMPM          | \$179.55 | (1)*(4)+(1 - (4))*(7) |

### Step 3: Ratio of Credibility-Normalized Catastrophic PMPM vs. Single Risk Pool

|      |                            |               |         |
|------|----------------------------|---------------|---------|
| (9)  | Normalized SRP PMPM        | \$367.05      |         |
| (10) | <b>Catastrophic Factor</b> | <b>0.4892</b> | (8)/(9) |

### Total ACA Individual Market Experience (201801-201812 Paid Through: 201902)

| Metal Level                   | Member Months    | Normalized Allowed PMPM |     |
|-------------------------------|------------------|-------------------------|-----|
| Catastrophic                  | 99,687           | \$140.87                | (a) |
| Bronze                        | 407,776          | \$137.31                |     |
| Silver                        | 691,450          | \$287.68                |     |
| Gold                          | 549,705          | \$288.97                |     |
| Platinum                      | 153,979          | \$236.29                |     |
| <b>Non-Catastrophic Total</b> | <b>1,802,910</b> | <b>\$249.68</b>         | (b) |

\*The Morbidity Adjustment is the ratio of Catastrophic Normalized Allowed PMPM to the Non-Catastrophic Normalized Allowed PMPM for our total Individual ACA Market Experience.

**Appendix - Experience Period to Rating Period Plan Mappings**

| Exp. Period            |  | Current Period         |  | Rating Period          |  |
|------------------------|--|------------------------|--|------------------------|--|
| 2018 Base HIOS Plan ID | 2018 HIOS Plan Name                        | 2019 Base HIOS Plan ID | 2019 HIOS Plan Name                        | 2020 Base HIOS Plan ID | 2020 HIOS Plan Name                        |
| 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$4,000     |
| 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         |
| 86052DC0400004         | BlueChoice HMO Young Adult \$7,350         | 86052DC0400004         | BlueChoice HMO Young Adult \$7,900         | 86052DC0400004         | BlueChoice HMO Young Adult \$8,150         |
| 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,000     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,650     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$7,250     |
| 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       |
| 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 |
| 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            |

Appendix - Annual Rate Change Based on Mapping

|           |                                |              |              |              |
|-----------|--------------------------------|--------------|--------------|--------------|
| Base Rate | Catastrophic/Avg Renewal       | 658          | 678          | 4.4%         |
| Base Rate | Bronze Members/Avg Renewal     | 2,109        | 2,020        | 8.9%         |
| Base Rate | Silver Members/Avg Renewal     | 1,151        | 1,036        | 6.8%         |
| Base Rate | Gold Members/Avg Renewal       | 478          | 405          | 7.9%         |
| Base Rate | Platinum Members/Avg Renewal   | 262          | 220          | 10.9%        |
| Base Rate | <b>All Members/Avg Renewal</b> | <b>4,658</b> | <b>4,359</b> | <b>7.7%</b>  |
| Base Rate | <b>Minimum Renewal</b>         |              |              | <b>4.4%</b>  |
| Base Rate | <b>Maximum Renewal</b>         |              |              | <b>10.9%</b> |

| 2019 HIOS Plan ID | 2019 HIOS Plan Name                        | 2019 Metal Level | 2019 Marketplace Indicator | 2020 HIOS Plan ID | 2020 HIOS Plan Name                        | 2020 Metal Level | 2020 Marketplace Indicator | Current Month Member Count | Projected 2019 EOY Members | 2019 Base Rate | 2020 Base Rate | Annual Rate Change |
|-------------------|--|------------------|----------------------------|-------------------|--|------------------|----------------------------|----------------------------|----------------------------|----------------|----------------|--------------------|
| 86052DC0400001    | BlueChoice HMO Standard Silver \$3,500     | SILVER           | On                         | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER           | On                         | 1,151                      | 1,036                      | \$389.65       | \$416.04       | 6.8%               |
| 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 356                        | 289                        | \$519.49       | \$557.93       | 7.4%               |
| 86052DC0400004    | BlueChoice HMO Young Adult \$7,900         | CATASTROPHIC     | On                         | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC     | On                         | 658                        | 678                        | \$161.03       | \$168.04       | 4.4%               |
| 86052DC0400007    | BlueChoice HMO Standard Bronze \$6,650     | BRONZE           | On                         | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE           | On                         | 855                        | 745                        | \$343.43       | \$369.35       | 7.5%               |
| 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 262                        | 220                        | \$594.93       | \$659.80       | 10.9%              |
| 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 1,254                      | 1,275                      | \$323.92       | \$355.30       | 9.7%               |
| 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 122                        | 116                        | \$465.29       | \$507.69       | 9.1%               |

### Appendix - Maximum Rate Renewal

|                   | 2019            | 2020            | % Change     |
|-------------------|-----------------|-----------------|--------------|
| Base Rate         | \$594.93        | \$659.80        | 10.9%        |
| Age Factor        | 0.654           | 0.727           | 11.2%        |
| Geographic Factor | 1.000           | 1.000           | 0.0%         |
| Tobacco Factor    | 1.000           | 1.000           | 0.0%         |
| <b>Total</b>      | <b>\$389.08</b> | <b>\$479.67</b> | <b>23.3%</b> |

|                      | BlueChoice HMO<br>Standard Platinum | BlueChoice HMO<br>Standard Platinum |
|----------------------|-------------------------------------|-------------------------------------|
| Base Rate/Product(s) | \$0                                 | \$0                                 |
| Age Change           | 20                                  | 21                                  |
| Geo Change*          | N/A                                 | N/A                                 |
| Tobacco Change**     | N/A                                 | N/A                                 |

\*we did not geo rate

\*\*we did not tobacco rate

Appendix - Federal Required \$1.00 minimum for abortion

| HIOS Plan ID   | Plan Name                                  | Exchange | Minimum Charge | Lowest Age Factor | Base Premium | Age Calibration | Plan Adjusted Index Rate | Admin  | Catastrophic Factor | Network Factor | Non-EHB | Induced Utilization | Benefit | Market Adjusted Index Rate | Exchange User Fee | Risk Adjustment Factor | Index Rate | \$1 Check | Final Rate, above \$1.00 |
|----------------|--|----------|----------------|-------------------|--------------|-----------------|--------------------------|--------|---------------------|----------------|---------|---------------------|---------|----------------------------|-------------------|------------------------|------------|-----------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9526              | 0.6387  | \$2.10                     | 1.0000            | 1.2589                 | \$1.67     | \$1.00    | \$1.67                   |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.8216  | \$1.56                     | 1.0000            | 1.2589                 | \$1.24     | \$1.00    | \$1.24                   |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 0.4892              | 0.9540         | 1.0000  | 0.9210              | 0.5425  | \$5.23                     | 1.0000            | 1.2589                 | \$4.15     | \$1.00    | \$4.15                   |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5862  | \$2.37                     | 1.0000            | 1.2589                 | \$1.88     | \$1.00    | \$1.88                   |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 1.0590              | 0.9124  | \$1.32                     | 1.0000            | 1.2589                 | \$1.05     | \$1.00    | \$1.05                   |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5638  | \$2.46                     | 1.0000            | 1.2589                 | \$1.95     | \$1.00    | \$1.95                   |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.7474  | \$1.72                     | 1.0000            | 1.2589                 | \$1.37     | \$1.00    | \$1.37                   |



## Appendix - Form Numbers

### Form Numbers Associated With This Filing:

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This list contains the applicable forms for the new products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

The SERFF Tracking # for the corresponding form filing On Exchange is as follows:  
CFBC-131941556

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### ON-Exchange

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#### BlueChoice HMO

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

#### BlueChoice Young Adult

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

## Appendix - Experience by Service Category

| Month  | Members | Service Category   | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|--------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Inpatient Hospital | \$2,321,588      | \$0          | Admits           | 162         |
| 201602 | 44,642  | Inpatient Hospital | \$2,567,657      | \$0          | Admits           | 176         |
| 201603 | 44,852  | Inpatient Hospital | \$2,732,545      | \$0          | Admits           | 214         |
| 201604 | 44,745  | Inpatient Hospital | \$2,630,914      | \$0          | Admits           | 168         |
| 201605 | 44,584  | Inpatient Hospital | \$2,216,761      | \$0          | Admits           | 166         |
| 201606 | 44,519  | Inpatient Hospital | \$2,328,635      | \$0          | Admits           | 177         |
| 201607 | 44,235  | Inpatient Hospital | \$2,303,125      | \$0          | Admits           | 169         |
| 201608 | 43,933  | Inpatient Hospital | \$2,320,198      | \$0          | Admits           | 188         |
| 201609 | 43,584  | Inpatient Hospital | \$2,433,006      | \$0          | Admits           | 196         |
| 201610 | 43,338  | Inpatient Hospital | \$2,557,933      | \$0          | Admits           | 188         |
| 201611 | 43,046  | Inpatient Hospital | \$2,873,453      | \$0          | Admits           | 164         |
| 201612 | 42,186  | Inpatient Hospital | \$2,372,606      | \$0          | Admits           | 172         |
| 201701 | 41,362  | Inpatient Hospital | \$3,379,183      | \$0          | Admits           | 192         |
| 201702 | 40,960  | Inpatient Hospital | \$1,951,018      | \$0          | Admits           | 145         |
| 201703 | 40,733  | Inpatient Hospital | \$3,152,883      | \$0          | Admits           | 152         |
| 201704 | 40,448  | Inpatient Hospital | \$2,103,924      | \$0          | Admits           | 124         |
| 201705 | 40,383  | Inpatient Hospital | \$2,122,786      | \$0          | Admits           | 124         |
| 201706 | 40,116  | Inpatient Hospital | \$2,876,038      | \$0          | Admits           | 208         |
| 201707 | 39,855  | Inpatient Hospital | \$2,485,595      | \$0          | Admits           | 190         |
| 201708 | 39,736  | Inpatient Hospital | \$3,079,700      | \$0          | Admits           | 173         |
| 201709 | 39,764  | Inpatient Hospital | \$2,641,304      | \$0          | Admits           | 175         |
| 201710 | 39,827  | Inpatient Hospital | \$1,962,406      | \$0          | Admits           | 197         |
| 201711 | 39,597  | Inpatient Hospital | \$1,604,559      | \$0          | Admits           | 125         |
| 201712 | 39,346  | Inpatient Hospital | \$2,323,500      | \$0          | Admits           | 176         |
| 201801 | 39,818  | Inpatient Hospital | \$2,806,835      | \$0          | Admits           | 218         |
| 201802 | 39,872  | Inpatient Hospital | \$2,357,579      | \$0          | Admits           | 143         |
| 201803 | 39,866  | Inpatient Hospital | \$2,496,053      | \$0          | Admits           | 143         |
| 201804 | 39,781  | Inpatient Hospital | \$2,454,458      | \$0          | Admits           | 209         |
| 201805 | 39,765  | Inpatient Hospital | \$2,117,319      | \$0          | Admits           | 178         |
| 201806 | 40,182  | Inpatient Hospital | \$2,003,741      | \$0          | Admits           | 158         |
| 201807 | 40,386  | Inpatient Hospital | \$3,480,868      | \$0          | Admits           | 193         |
| 201808 | 40,701  | Inpatient Hospital | \$2,379,598      | \$0          | Admits           | 161         |
| 201809 | 40,326  | Inpatient Hospital | \$2,513,338      | \$0          | Admits           | 165         |
| 201810 | 40,569  | Inpatient Hospital | \$2,448,763      | \$0          | Admits           | 162         |
| 201811 | 40,509  | Inpatient Hospital | \$3,465,332      | \$0          | Admits           | 184         |
| 201812 | 41,435  | Inpatient Hospital | \$2,739,415      | \$0          | Admits           | 168         |
| 201901 | 42,431  | Inpatient Hospital | \$2,292,739      | \$0          | Admits           | 194         |
| 201902 | 42,697  | Inpatient Hospital | \$1,468,548      | \$0          | Admits           | 153         |

## Appendix - Experience by Service Category

| Month  | Members | Service Category    | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|---------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Outpatient Hospital | \$2,295,558      | \$0          | Visits           | 1,784       |
| 201602 | 44,642  | Outpatient Hospital | \$2,692,865      | \$0          | Visits           | 1,873       |
| 201603 | 44,852  | Outpatient Hospital | \$2,558,059      | \$0          | Visits           | 2,080       |
| 201604 | 44,745  | Outpatient Hospital | \$2,551,668      | \$0          | Visits           | 2,009       |
| 201605 | 44,584  | Outpatient Hospital | \$2,884,607      | \$0          | Visits           | 2,026       |
| 201606 | 44,519  | Outpatient Hospital | \$2,862,456      | \$0          | Visits           | 2,026       |
| 201607 | 44,235  | Outpatient Hospital | \$2,636,627      | \$0          | Visits           | 1,843       |
| 201608 | 43,933  | Outpatient Hospital | \$2,900,115      | \$0          | Visits           | 2,048       |
| 201609 | 43,584  | Outpatient Hospital | \$2,356,373      | \$0          | Visits           | 1,852       |
| 201610 | 43,338  | Outpatient Hospital | \$2,609,971      | \$0          | Visits           | 1,952       |
| 201611 | 43,046  | Outpatient Hospital | \$2,682,055      | \$0          | Visits           | 1,867       |
| 201612 | 42,186  | Outpatient Hospital | \$2,460,260      | \$0          | Visits           | 1,818       |
| 201701 | 41,362  | Outpatient Hospital | \$2,251,288      | \$0          | Visits           | 1,794       |
| 201702 | 40,960  | Outpatient Hospital | \$2,392,887      | \$0          | Visits           | 1,720       |
| 201703 | 40,733  | Outpatient Hospital | \$2,792,857      | \$0          | Visits           | 1,940       |
| 201704 | 40,448  | Outpatient Hospital | \$2,881,785      | \$0          | Visits           | 1,899       |
| 201705 | 40,383  | Outpatient Hospital | \$2,891,714      | \$0          | Visits           | 1,900       |
| 201706 | 40,116  | Outpatient Hospital | \$2,838,085      | \$0          | Visits           | 1,881       |
| 201707 | 39,855  | Outpatient Hospital | \$2,492,592      | \$0          | Visits           | 1,795       |
| 201708 | 39,736  | Outpatient Hospital | \$2,689,556      | \$0          | Visits           | 1,990       |
| 201709 | 39,764  | Outpatient Hospital | \$2,265,887      | \$0          | Visits           | 1,797       |
| 201710 | 39,827  | Outpatient Hospital | \$2,799,866      | \$0          | Visits           | 2,049       |
| 201711 | 39,597  | Outpatient Hospital | \$2,568,634      | \$0          | Visits           | 1,967       |
| 201712 | 39,346  | Outpatient Hospital | \$2,476,526      | \$0          | Visits           | 1,933       |
| 201801 | 39,818  | Outpatient Hospital | \$2,761,264      | \$0          | Visits           | 2,130       |
| 201802 | 39,872  | Outpatient Hospital | \$2,533,354      | \$0          | Visits           | 1,889       |
| 201803 | 39,866  | Outpatient Hospital | \$2,897,596      | \$0          | Visits           | 1,958       |
| 201804 | 39,781  | Outpatient Hospital | \$2,827,744      | \$0          | Visits           | 1,946       |
| 201805 | 39,765  | Outpatient Hospital | \$2,660,529      | \$0          | Visits           | 2,018       |
| 201806 | 40,182  | Outpatient Hospital | \$2,828,813      | \$0          | Visits           | 1,985       |
| 201807 | 40,386  | Outpatient Hospital | \$2,709,745      | \$0          | Visits           | 1,892       |
| 201808 | 40,701  | Outpatient Hospital | \$2,779,233      | \$0          | Visits           | 1,999       |
| 201809 | 40,326  | Outpatient Hospital | \$2,396,595      | \$0          | Visits           | 1,829       |
| 201810 | 40,569  | Outpatient Hospital | \$3,467,639      | \$0          | Visits           | 2,120       |
| 201811 | 40,509  | Outpatient Hospital | \$2,927,080      | \$0          | Visits           | 2,008       |
| 201812 | 41,435  | Outpatient Hospital | \$3,292,331      | \$0          | Visits           | 2,140       |
| 201901 | 42,431  | Outpatient Hospital | \$3,783,335      | \$0          | Visits           | 2,425       |
| 201902 | 42,697  | Outpatient Hospital | \$2,912,461      | \$0          | Visits           | 2,460       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Professional     | \$4,425,723      | \$0          | Visits           | 28,913      |
| 201602 | 44,642  | Professional     | \$4,719,168      | \$0          | Visits           | 31,938      |
| 201603 | 44,852  | Professional     | \$5,305,861      | \$0          | Visits           | 35,821      |
| 201604 | 44,745  | Professional     | \$4,939,434      | \$0          | Visits           | 33,378      |
| 201605 | 44,584  | Professional     | \$4,994,091      | \$0          | Visits           | 32,674      |
| 201606 | 44,519  | Professional     | \$5,230,281      | \$0          | Visits           | 33,549      |
| 201607 | 44,235  | Professional     | \$4,523,441      | \$0          | Visits           | 30,173      |
| 201608 | 43,933  | Professional     | \$5,245,862      | \$0          | Visits           | 33,944      |
| 201609 | 43,584  | Professional     | \$4,884,312      | \$0          | Visits           | 32,170      |
| 201610 | 43,338  | Professional     | \$4,859,563      | \$0          | Visits           | 33,492      |
| 201611 | 43,046  | Professional     | \$4,804,026      | \$0          | Visits           | 32,352      |
| 201612 | 42,186  | Professional     | \$4,610,788      | \$0          | Visits           | 30,630      |
| 201701 | 41,362  | Professional     | \$4,827,579      | \$0          | Visits           | 30,897      |
| 201702 | 40,960  | Professional     | \$4,549,729      | \$0          | Visits           | 29,596      |
| 201703 | 40,733  | Professional     | \$5,077,721      | \$0          | Visits           | 33,327      |
| 201704 | 40,448  | Professional     | \$4,490,134      | \$0          | Visits           | 29,117      |
| 201705 | 40,383  | Professional     | \$5,003,296      | \$0          | Visits           | 32,281      |
| 201706 | 40,116  | Professional     | \$4,973,427      | \$0          | Visits           | 31,502      |
| 201707 | 39,855  | Professional     | \$4,606,423      | \$0          | Visits           | 29,050      |
| 201708 | 39,736  | Professional     | \$5,150,369      | \$0          | Visits           | 32,636      |
| 201709 | 39,764  | Professional     | \$4,951,096      | \$0          | Visits           | 30,792      |
| 201710 | 39,827  | Professional     | \$5,291,656      | \$0          | Visits           | 34,469      |
| 201711 | 39,597  | Professional     | \$4,966,044      | \$0          | Visits           | 32,061      |
| 201712 | 39,346  | Professional     | \$4,669,811      | \$0          | Visits           | 28,975      |
| 201801 | 39,818  | Professional     | \$5,735,298      | \$0          | Visits           | 34,122      |
| 201802 | 39,872  | Professional     | \$4,962,050      | \$0          | Visits           | 31,051      |
| 201803 | 39,866  | Professional     | \$5,316,982      | \$0          | Visits           | 32,414      |
| 201804 | 39,781  | Professional     | \$5,134,744      | \$0          | Visits           | 32,111      |
| 201805 | 39,765  | Professional     | \$5,381,443      | \$0          | Visits           | 33,356      |
| 201806 | 40,182  | Professional     | \$5,453,414      | \$0          | Visits           | 32,032      |
| 201807 | 40,386  | Professional     | \$5,155,231      | \$0          | Visits           | 31,605      |
| 201808 | 40,701  | Professional     | \$5,578,213      | \$0          | Visits           | 34,565      |
| 201809 | 40,326  | Professional     | \$4,904,502      | \$0          | Visits           | 31,619      |
| 201810 | 40,569  | Professional     | \$6,053,980      | \$0          | Visits           | 39,652      |
| 201811 | 40,509  | Professional     | \$5,540,079      | \$0          | Visits           | 35,372      |
| 201812 | 41,435  | Professional     | \$5,219,341      | \$0          | Visits           | 32,949      |
| 201901 | 42,431  | Professional     | \$6,448,431      | \$0          | Visits           | 41,606      |
| 201902 | 42,697  | Professional     | \$7,782,063      | \$0          | Visits           | 50,775      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Other Medical    | \$619,982        | \$0          | Services         | 3,865       |
| 201602 | 44,642  | Other Medical    | \$717,504        | \$0          | Services         | 4,240       |
| 201603 | 44,852  | Other Medical    | \$859,390        | \$0          | Services         | 5,072       |
| 201604 | 44,745  | Other Medical    | \$722,231        | \$0          | Services         | 4,421       |
| 201605 | 44,584  | Other Medical    | \$817,737        | \$0          | Services         | 4,275       |
| 201606 | 44,519  | Other Medical    | \$841,444        | \$0          | Services         | 4,880       |
| 201607 | 44,235  | Other Medical    | \$744,364        | \$0          | Services         | 4,406       |
| 201608 | 43,933  | Other Medical    | \$755,840        | \$0          | Services         | 5,288       |
| 201609 | 43,584  | Other Medical    | \$749,511        | \$0          | Services         | 3,735       |
| 201610 | 43,338  | Other Medical    | \$696,548        | \$0          | Services         | 4,062       |
| 201611 | 43,046  | Other Medical    | \$744,134        | \$0          | Services         | 3,706       |
| 201612 | 42,186  | Other Medical    | \$853,669        | \$0          | Services         | 3,734       |
| 201701 | 41,362  | Other Medical    | \$624,521        | \$0          | Services         | 3,407       |
| 201702 | 40,960  | Other Medical    | \$797,804        | \$0          | Services         | 3,467       |
| 201703 | 40,733  | Other Medical    | \$818,480        | \$0          | Services         | 3,755       |
| 201704 | 40,448  | Other Medical    | \$736,727        | \$0          | Services         | 3,652       |
| 201705 | 40,383  | Other Medical    | \$751,800        | \$0          | Services         | 3,461       |
| 201706 | 40,116  | Other Medical    | \$753,383        | \$0          | Services         | 3,653       |
| 201707 | 39,855  | Other Medical    | \$761,707        | \$0          | Services         | 3,381       |
| 201708 | 39,736  | Other Medical    | \$827,086        | \$0          | Services         | 4,694       |
| 201709 | 39,764  | Other Medical    | \$751,076        | \$0          | Services         | 3,821       |
| 201710 | 39,827  | Other Medical    | \$890,925        | \$0          | Services         | 4,401       |
| 201711 | 39,597  | Other Medical    | \$809,479        | \$0          | Services         | 4,221       |
| 201712 | 39,346  | Other Medical    | \$809,730        | \$0          | Services         | 4,405       |
| 201801 | 39,818  | Other Medical    | \$911,275        | \$0          | Services         | 4,471       |
| 201802 | 39,872  | Other Medical    | \$811,785        | \$0          | Services         | 4,170       |
| 201803 | 39,866  | Other Medical    | \$954,920        | \$0          | Services         | 4,595       |
| 201804 | 39,781  | Other Medical    | \$875,999        | \$0          | Services         | 4,843       |
| 201805 | 39,765  | Other Medical    | \$922,637        | \$0          | Services         | 3,991       |
| 201806 | 40,182  | Other Medical    | \$1,002,856      | \$0          | Services         | 4,446       |
| 201807 | 40,386  | Other Medical    | \$960,187        | \$0          | Services         | 4,332       |
| 201808 | 40,701  | Other Medical    | \$1,080,034      | \$0          | Services         | 5,075       |
| 201809 | 40,326  | Other Medical    | \$1,084,957      | \$0          | Services         | 4,206       |
| 201810 | 40,569  | Other Medical    | \$1,086,671      | \$0          | Services         | 4,887       |
| 201811 | 40,509  | Other Medical    | \$1,124,751      | \$0          | Services         | 4,564       |
| 201812 | 41,435  | Other Medical    | \$903,300        | \$0          | Services         | 4,233       |
| 201901 | 42,431  | Other Medical    | \$1,129,983      | \$0          | Services         | 5,002       |
| 201902 | 42,697  | Other Medical    | \$1,208,764      | \$0          | Services         | 5,673       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category  | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|-------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Prescription Drug | \$3,573,818      | \$574,938    | Scripts          | 27,259      |
| 201602 | 44,642  | Prescription Drug | \$4,098,908      | \$578,275    | Scripts          | 27,763      |
| 201603 | 44,852  | Prescription Drug | \$4,689,888      | \$578,676    | Scripts          | 30,308      |
| 201604 | 44,745  | Prescription Drug | \$4,492,841      | \$636,645    | Scripts          | 28,545      |
| 201605 | 44,584  | Prescription Drug | \$4,247,146      | \$634,642    | Scripts          | 28,541      |
| 201606 | 44,519  | Prescription Drug | \$4,625,721      | \$632,429    | Scripts          | 28,832      |
| 201607 | 44,235  | Prescription Drug | \$4,115,253      | \$562,691    | Scripts          | 26,930      |
| 201608 | 43,933  | Prescription Drug | \$4,277,487      | \$559,917    | Scripts          | 28,450      |
| 201609 | 43,584  | Prescription Drug | \$4,033,482      | \$556,687    | Scripts          | 26,400      |
| 201610 | 43,338  | Prescription Drug | \$4,049,085      | \$523,644    | Scripts          | 27,078      |
| 201611 | 43,046  | Prescription Drug | \$4,044,559      | \$523,073    | Scripts          | 27,347      |
| 201612 | 42,186  | Prescription Drug | \$3,981,850      | \$516,913    | Scripts          | 27,697      |
| 201701 | 41,362  | Prescription Drug | \$3,875,247      | \$572,245    | Scripts          | 26,505      |
| 201702 | 40,960  | Prescription Drug | \$3,906,154      | \$567,557    | Scripts          | 24,799      |
| 201703 | 40,733  | Prescription Drug | \$4,530,786      | \$564,859    | Scripts          | 27,531      |
| 201704 | 40,448  | Prescription Drug | \$3,903,078      | \$620,928    | Scripts          | 25,074      |
| 201705 | 40,383  | Prescription Drug | \$4,516,391      | \$620,228    | Scripts          | 26,893      |
| 201706 | 40,116  | Prescription Drug | \$4,594,031      | \$617,982    | Scripts          | 25,791      |
| 201707 | 39,855  | Prescription Drug | \$4,119,164      | \$620,900    | Scripts          | 24,732      |
| 201708 | 39,736  | Prescription Drug | \$4,516,048      | \$619,242    | Scripts          | 25,960      |
| 201709 | 39,764  | Prescription Drug | \$4,244,062      | \$619,692    | Scripts          | 24,326      |
| 201710 | 39,827  | Prescription Drug | \$4,401,515      | \$613,390    | Scripts          | 26,140      |
| 201711 | 39,597  | Prescription Drug | \$4,258,453      | \$610,461    | Scripts          | 25,803      |
| 201712 | 39,346  | Prescription Drug | \$4,287,646      | \$606,625    | Scripts          | 25,611      |
| 201801 | 39,818  | Prescription Drug | \$4,578,309      | \$717,551    | Scripts          | 27,313      |
| 201802 | 39,872  | Prescription Drug | \$4,275,121      | \$720,015    | Scripts          | 24,423      |
| 201803 | 39,866  | Prescription Drug | \$4,627,338      | \$719,721    | Scripts          | 26,268      |
| 201804 | 39,781  | Prescription Drug | \$4,378,934      | \$729,545    | Scripts          | 25,561      |
| 201805 | 39,765  | Prescription Drug | \$4,893,774      | \$730,377    | Scripts          | 26,513      |
| 201806 | 40,182  | Prescription Drug | \$4,800,098      | \$737,707    | Scripts          | 25,861      |
| 201807 | 40,386  | Prescription Drug | \$4,643,270      | \$693,029    | Scripts          | 25,632      |
| 201808 | 40,701  | Prescription Drug | \$4,884,545      | \$698,782    | Scripts          | 26,569      |
| 201809 | 40,326  | Prescription Drug | \$4,134,671      | \$694,619    | Scripts          | 24,065      |
| 201810 | 40,569  | Prescription Drug | \$4,774,480      | \$620,751    | Scripts          | 27,425      |
| 201811 | 40,509  | Prescription Drug | \$4,593,005      | \$619,823    | Scripts          | 26,079      |
| 201812 | 41,435  | Prescription Drug | \$4,479,685      | \$634,600    | Scripts          | 26,485      |
| 201901 | 42,431  | Prescription Drug | \$4,831,335      |              | Scripts          | 27,976      |
| 201902 | 42,697  | Prescription Drug | \$4,429,106      |              | Scripts          | 26,245      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Capitations      | \$62,564         | \$0          | Benefit Period   | 44,297      |
| 201602 | 44,642  | Capitations      | \$63,387         | \$0          | Benefit Period   | 44,642      |
| 201603 | 44,852  | Capitations      | \$64,455         | \$0          | Benefit Period   | 44,852      |
| 201604 | 44,745  | Capitations      | \$64,131         | \$0          | Benefit Period   | 44,745      |
| 201605 | 44,584  | Capitations      | \$63,922         | \$0          | Benefit Period   | 44,584      |
| 201606 | 44,519  | Capitations      | \$63,605         | \$0          | Benefit Period   | 44,519      |
| 201607 | 44,235  | Capitations      | \$63,174         | \$0          | Benefit Period   | 44,235      |
| 201608 | 43,933  | Capitations      | \$62,566         | \$0          | Benefit Period   | 43,933      |
| 201609 | 43,584  | Capitations      | \$62,139         | \$0          | Benefit Period   | 43,584      |
| 201610 | 43,338  | Capitations      | \$61,668         | \$0          | Benefit Period   | 43,338      |
| 201611 | 43,046  | Capitations      | \$60,948         | \$0          | Benefit Period   | 43,046      |
| 201612 | 42,186  | Capitations      | \$59,439         | \$0          | Benefit Period   | 42,186      |
| 201701 | 41,362  | Capitations      | \$52,854         | \$0          | Benefit Period   | 41,362      |
| 201702 | 40,960  | Capitations      | \$51,779         | \$0          | Benefit Period   | 40,960      |
| 201703 | 40,733  | Capitations      | \$51,213         | \$0          | Benefit Period   | 40,733      |
| 201704 | 40,448  | Capitations      | \$50,462         | \$0          | Benefit Period   | 40,448      |
| 201705 | 40,383  | Capitations      | \$50,023         | \$0          | Benefit Period   | 40,383      |
| 201706 | 40,116  | Capitations      | \$49,428         | \$0          | Benefit Period   | 40,116      |
| 201707 | 39,855  | Capitations      | \$48,823         | \$0          | Benefit Period   | 39,855      |
| 201708 | 39,736  | Capitations      | \$48,451         | \$0          | Benefit Period   | 39,736      |
| 201709 | 39,764  | Capitations      | \$48,179         | \$0          | Benefit Period   | 39,764      |
| 201710 | 39,827  | Capitations      | \$47,915         | \$0          | Benefit Period   | 39,827      |
| 201711 | 39,597  | Capitations      | \$47,365         | \$0          | Benefit Period   | 39,597      |
| 201712 | 39,346  | Capitations      | \$46,775         | \$0          | Benefit Period   | 39,346      |
| 201801 | 39,818  | Capitations      | \$32,395         | \$0          | Benefit Period   | 39,818      |
| 201802 | 39,872  | Capitations      | \$32,238         | \$0          | Benefit Period   | 39,872      |
| 201803 | 39,866  | Capitations      | \$32,197         | \$0          | Benefit Period   | 39,866      |
| 201804 | 39,781  | Capitations      | \$31,907         | \$0          | Benefit Period   | 39,781      |
| 201805 | 39,765  | Capitations      | \$31,535         | \$0          | Benefit Period   | 39,765      |
| 201806 | 40,182  | Capitations      | \$31,641         | \$0          | Benefit Period   | 40,182      |
| 201807 | 40,386  | Capitations      | \$31,643         | \$0          | Benefit Period   | 40,386      |
| 201808 | 40,701  | Capitations      | \$31,709         | \$0          | Benefit Period   | 40,701      |
| 201809 | 40,326  | Capitations      | \$31,178         | \$0          | Benefit Period   | 40,326      |
| 201810 | 40,569  | Capitations      | \$31,079         | \$0          | Benefit Period   | 40,569      |
| 201811 | 40,509  | Capitations      | \$30,722         | \$0          | Benefit Period   | 40,509      |
| 201812 | 41,435  | Capitations      | \$31,011         | \$0          | Benefit Period   | 41,435      |
| 201901 | 42,431  | Capitations      | \$42,767         | \$0          | Benefit Period   | 42,431      |
| 201902 | 42,697  | Capitations      | \$42,880         | \$0          | Benefit Period   | 42,697      |

### Appendix - Total Experience

| Month  | Members | Contracts | Ultimate Allowed | Drug Rebates | Post-Rx Rebate Ultimate Allowed | Ultimate Incurred | Premium      | Loss Ratio |
|--------|---------|-----------|------------------|--------------|---------------------------------|-------------------|--------------|------------|
| 201601 | 44,297  | 29,097    | \$13,299,234     | \$574,938    | \$12,724,296                    | \$10,190,229      | \$17,313,359 | 58.9%      |
| 201602 | 44,642  | 29,431    | \$14,859,490     | \$578,275    | \$14,281,215                    | \$11,750,012      | \$17,242,028 | 68.1%      |
| 201603 | 44,852  | 29,682    | \$16,210,199     | \$578,676    | \$15,631,523                    | \$12,998,777      | \$17,192,928 | 75.6%      |
| 201604 | 44,745  | 29,599    | \$15,401,219     | \$636,645    | \$14,764,575                    | \$12,439,632      | \$17,129,614 | 72.6%      |
| 201605 | 44,584  | 29,441    | \$15,224,263     | \$634,642    | \$14,589,621                    | \$12,379,580      | \$16,989,924 | 72.9%      |
| 201606 | 44,519  | 29,367    | \$15,952,142     | \$632,429    | \$15,319,713                    | \$13,011,777      | \$17,000,744 | 76.5%      |
| 201607 | 44,235  | 29,147    | \$14,385,985     | \$562,691    | \$13,823,294                    | \$11,824,750      | \$16,846,726 | 70.2%      |
| 201608 | 43,933  | 28,911    | \$15,562,068     | \$559,917    | \$15,002,151                    | \$12,806,860      | \$16,671,517 | 76.8%      |
| 201609 | 43,584  | 28,613    | \$14,518,822     | \$556,687    | \$13,962,135                    | \$11,941,793      | \$16,582,020 | 72.0%      |
| 201610 | 43,338  | 28,403    | \$14,834,768     | \$523,644    | \$14,311,123                    | \$12,277,249      | \$16,437,827 | 74.7%      |
| 201611 | 43,046  | 28,180    | \$15,209,175     | \$523,073    | \$14,686,102                    | \$12,690,091      | \$16,450,494 | 77.1%      |
| 201612 | 42,186  | 27,650    | \$14,338,612     | \$516,913    | \$13,821,699                    | \$11,501,338      | \$16,134,990 | 71.3%      |
| 201701 | 41,362  | 26,983    | \$15,010,673     | \$572,245    | \$14,438,428                    | \$11,889,350      | \$16,528,153 | 71.9%      |
| 201702 | 40,960  | 26,681    | \$13,649,371     | \$567,557    | \$13,081,815                    | \$10,854,612      | \$16,373,825 | 66.3%      |
| 201703 | 40,733  | 26,498    | \$16,423,938     | \$564,859    | \$15,859,079                    | \$13,447,779      | \$16,322,528 | 82.4%      |
| 201704 | 40,448  | 26,275    | \$14,166,110     | \$620,928    | \$13,545,182                    | \$11,534,135      | \$16,283,519 | 70.8%      |
| 201705 | 40,383  | 26,205    | \$15,336,009     | \$620,228    | \$14,715,781                    | \$12,578,368      | \$16,256,857 | 77.4%      |
| 201706 | 40,116  | 25,975    | \$16,084,393     | \$617,982    | \$15,466,411                    | \$13,373,251      | \$16,224,835 | 82.4%      |
| 201707 | 39,855  | 25,733    | \$14,514,305     | \$620,900    | \$13,893,405                    | \$11,932,866      | \$16,175,145 | 73.8%      |
| 201708 | 39,736  | 25,607    | \$16,311,210     | \$619,242    | \$15,691,968                    | \$13,630,653      | \$16,172,684 | 84.3%      |
| 201709 | 39,764  | 25,542    | \$14,901,604     | \$619,692    | \$14,281,912                    | \$12,394,135      | \$16,210,400 | 76.5%      |
| 201710 | 39,827  | 25,549    | \$15,394,283     | \$613,390    | \$14,780,893                    | \$12,702,532      | \$16,279,955 | 78.0%      |
| 201711 | 39,597  | 25,409    | \$14,254,533     | \$610,461    | \$13,644,072                    | \$11,627,449      | \$16,233,195 | 71.6%      |
| 201712 | 39,346  | 25,177    | \$14,613,988     | \$606,625    | \$14,007,362                    | \$11,772,785      | \$16,391,622 | 71.8%      |
| 201801 | 39,818  | 25,624    | \$16,825,376     | \$717,551    | \$16,107,825                    | \$13,203,694      | \$16,853,982 | 78.3%      |
| 201802 | 39,872  | 25,653    | \$14,972,129     | \$720,015    | \$14,252,113                    | \$11,868,919      | \$17,138,373 | 69.3%      |
| 201803 | 39,866  | 25,659    | \$16,325,084     | \$719,721    | \$15,605,363                    | \$13,274,836      | \$17,147,843 | 77.4%      |
| 201804 | 39,781  | 25,616    | \$15,703,786     | \$729,545    | \$14,974,241                    | \$12,700,866      | \$17,162,881 | 74.0%      |
| 201805 | 39,765  | 25,544    | \$16,007,237     | \$730,377    | \$15,276,860                    | \$13,012,995      | \$17,184,119 | 75.7%      |
| 201806 | 40,182  | 25,708    | \$16,120,564     | \$737,707    | \$15,382,857                    | \$13,192,605      | \$17,518,975 | 75.3%      |
| 201807 | 40,386  | 25,747    | \$16,980,943     | \$693,029    | \$16,287,914                    | \$14,168,900      | \$17,624,109 | 80.4%      |
| 201808 | 40,701  | 25,903    | \$16,733,333     | \$698,782    | \$16,034,551                    | \$13,808,586      | \$17,793,210 | 77.6%      |
| 201809 | 40,326  | 25,672    | \$15,065,240     | \$694,619    | \$14,370,622                    | \$12,329,893      | \$17,657,556 | 69.8%      |
| 201810 | 40,569  | 25,807    | \$17,862,612     | \$620,751    | \$17,241,861                    | \$14,904,558      | \$17,837,252 | 83.6%      |
| 201811 | 40,509  | 25,772    | \$17,680,969     | \$619,823    | \$17,061,146                    | \$14,828,136      | \$17,920,010 | 82.7%      |
| 201812 | 41,435  | 26,200    | \$16,665,082     | \$634,600    | \$16,030,482                    | \$13,543,649      | \$18,439,538 | 73.4%      |
| 201901 | 42,431  | 27,057    | \$18,528,591     |              | \$18,528,591                    | \$15,321,352      | \$19,194,784 | 79.8%      |
| 201902 | 42,697  | 27,248    | \$17,843,821     |              | \$17,843,821                    | \$14,508,979      | \$19,260,383 | 75.3%      |



# CareFirst BlueCross BlueShield

## Part III Actuarial Memorandum

### 4.1 Redacted Actuarial Memorandum

CareFirst is making no redactions so both Actuarial Memorandum submissions are the same.

### 4.2 General Information Section

#### Company Identifying Information:

- **Company Legal Name:** CareFirst BlueChoice, Inc. (CFBC) - NAIC # 96202
- **State:** District of Columbia
- **HIOS Issuer ID:** 86052
- **Market:** Individual, Non-Medigap (On Exchange)
- **Effective Date:** 1/1/20 – 12/31/20
- **Company Filing Number:** 2342
- **SERFF Filing Number:** CFAP-131941478

#### Company Contact Information:

- **Primary Contact Name:** Mr. Cory Bream, ASA, MAAA
- **Primary Contact Telephone Number:** 410-998-5308
- **Primary Contact E-Mail Address:** Cory.Bream@CareFirst.com

### 4.3 Proposed Rate Changes (Individual market)

Base rates are changing -10.0% on average. The range is -12.7% to -7.3%. This filing applies to all new and renewing, in-force business in the guaranteed renewable, non-grandfathered, ACA, metaled benefit plans. The number of policyholders affected by this rate change is 3,659.

#### Reason for Rate Change(s):

The main drivers supporting the rate change are the deterioration in the base period experience of the combined pool, the re-introduction of the Health Insurer Fee in 2020, and a lower projected risk adjustment factor. But the main impact is due to this filing containing combined risk adjustment, with the State average factors being the same for both Individual and Small Group.

### 4.4 Market Experience (Combined Individual/Small Group market)

Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d).

#### 4.4.1 Experience and Current Period Premium, Claims, and Enrollment

The incurred period is 1/1/18 through 12/31/18, as required.

**Paid Through Date:** 2/28/19

**Current Date:** 2/28/19

**Premiums (prior to MLR rebates) in Experience Period:** \$210,277,846

**Experience Period Member Months:** 483,210

**Current Date Members:** 42,697

**Allowed and Incurred Claims Incurred During the Experience Period**

**Allowed Claims**

- **Processed through issuer's claim system:** \$188,625,834
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,940,530

**Incurred Claims**

- **Processed through issuer's claim system:** \$160,837,637
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,644,119

**Method used for determining Allowed Claims**

The allowed claims come directly from our claim records and account for capitations by applying contracted PMPM amounts directly to enrollment from the experience period. Drug rebates from the experience period are also included.

**Support for IBNR estimates**

Our estimates of IBNR paid claims were derived using a "chain and ladder" model based on the most recent 36 months to derive the completion factor and IBNR for each incurred month. Estimates of IBNR allowed claims were derived using the same completion factors as those estimated based on paid claims.

**4.4.2 Benefit Categories**

Inpatient (hospital), outpatient (hospital), professional, other medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, pediatric dental services and other), prescription drug & capitations.

**4.4.3 Projection Factors***4.4.3.1 Trend Factors***Trend Factors (Cost/Utilization):**

Exhibit 8 in the Memorandum contains our selected annual utilization and unit cost trends by service category. Unit cost and utilization trends were set by service category to produce the overall anticipated trend of 7.5%, which is a slight decrease compared to the 8.1% trend assumed in our prior filing. Current observed medical trends as of 201812 are 9.5%, down from 9.6% in 201712. The current observed drug trends are 7.4% as of 201812, down from 11.5% in 201712.

We note that the current drug observed trend as of 201812 is artificially depressed due to a structural formulary change effective 201801. The adjusted observed drug trend as of 201812 is 9.7%. The adjusted aggregate medical and drug trend is 9.6%.

When normalized for induced demand, network, and demographics, the composite 9.6% observed trend decreases to 6.6%.

In addition, we sought industry data to help inform our trend assumption. The table below was developed from two different industry surveys from national consultants. The medical and drug trends reported were blended using our base period experience to estimate composite trends.

| Percentile | 2019 OW Carrier Trend Report |      |      | 2019 Aon Carrier Trend Survey |      |      | Average |
|------------|------------------------------|------|------|-------------------------------|------|------|---------|
|            | HMO                          | PPO  | CDH  | HMO                           | PPO  | CDH  |         |
| 75th       | 8.2%                         | 9.5% | 9.9% | 8.8%                          | 9.2% | 9.2% | 9.1%    |
| 50th       | 7.4%                         | 7.9% | 8.3% | 8.1%                          | 7.6% | 7.8% | 7.9%    |
| 25th       | 5.3%                         | 6.6% | 6.7% | 6.5%                          | 6.1% | 6.1% | 6.2%    |

Based on this information we believe that our assumed 7.5% composite trend is well within the reasonable range of trend assumptions.

#### *4.4.3.2 Adjustments to Trended EHB Allowed Claims PMPM*

##### **Morbidity Adjustment:**

Exhibit 4 in our memorandum contains support for this adjustment. To measure the projected morbidity of our population, we split our projected population into cohorts defined by metal tier and membership type. Membership type is defined as new member, existing member, or transfer from other lines of business. Consistent with the rules in the 2020 Unified Rate Review Instructions, we began our morbidity projection by normalizing allowed claims for each of the cohorts outlined above for projected changes in age, gender, network and induced utilization.

We have not reflected any morbidity adjustments to the base period normalized allowed PMPMs by metal tier for the existing and transfer membership types. Exhibit 4 demonstrates how these PMPMs are unchanged from the current year YTD to remainder of current year. For the new membership type we have assumed a claims PMPM by metal equal to that of the existing members.

The resulting morbidity calculation is completed in steps split by year:

- Once the remainder of current year (2019) is completed, the membership and claims by metal are combined to derive a total estimate for the year.
- This result carries over to the rating year (2020) as the metal specific normalized PMPMs for the existing members.
- The assumed claims PMPMs by metal for the new members are again assumed to equal those for the existing members.
- Transfer members PMPMs are treated separately and reflect base period amounts projected forward. Our projection factor for these members is 1.000.
- Once these PMPMs are set, the final morbidity calculation is driven by the projected member months at these levels.

The total morbidity change from 2018 to 2020 is expected to be 0.6%, which is the factor used in Exhibit 1 in the calculation of the market adjustment index rate.

##### **Demographic Shift:**

Exhibit 6 in the Memorandum contains support for our adjustment due to the anticipated change in the average age of this population between the experience and projection periods. Our methodology measures the change in average demographic factor between the base and rating periods. The demographic factors used are from an internal age/gender curve with an approximate 4.5:1 ratio (age 64+ to age 21 factors). Factors for both time periods are weighted using member months and the ratio of the two is applied as our market level adjustment.

##### **Plan Design Changes:**

Exhibit 5 in the Memorandum details our support for this adjustment to account for anticipated changes in the average utilization of services due to differences in average cost sharing requirements between the experience and projection periods. Our methodology measures the change in the average induced utilization factor between the base and rating periods. The factors used are the metal level factors from the

federal risk adjustment program. Once the average internal pricing AV, weighted by member months, is determined for both the experience and rating periods the linearly interpolated factor is determined. The ratio of these two factors is applied as our market level adjustment.

#### **Other Adjustments:**

Exhibit 7 in the Memorandum details our support for these adjustments. We are proposing additional other adjustments for changes to our capitation fees and drug rebates.

##### *4.4.3.3 Manual Rate Adjustments*

Not applicable, as experience was determined to be fully credible.

##### *4.4.3.4 Credibility of Experience*

Exhibit 2 in the Memorandum contains a summary of our base period experience, including member months. We have assigned full credibility to this experience.

##### *4.4.3.5 Establishing the Index Rate*

The experience period index rate for this filing is \$390.02 and the projection period index rate is \$451.52. Both rates and the adjustments made to develop the projected amount from the experience period amount can be found on Exhibit 1 of the Memorandum. Specifically, these adjustments correspond to those outlined in sections 4.4.3.1 and 4.4.3.2.

##### *4.4.3.6 Development of the Market-wide Adjusted Index Rate*

The Market-wide Adjusted Index Rate for the Individual market is \$453.60 and is derived by multiplying the projection period index rate with the market level adjustments for the risk adjustment program. Details for the risk adjustment program can be found below.

#### **Reinsurance**

There are no reinsurance recoveries applicable to this market.

#### **Risk Adjustment Payment/Charge:**

The Experience Period Risk Adjustment transfers in the URRT are based on the most recent Wakely results.

Our projected 2020 risk adjustment transfers, found in Exhibit 9, have been calculated consistent with our membership and morbidity projections found elsewhere in this filing. The risk adjustment in this version of the filing is calculated on a "Combined" basis. We combined the Statewide elements, including members, Premium (PMPM), PLRS, ARF, GCF, IDF and AV. The PMPM and factors are weighted by members. Prior to this combination, the Individual market had an expected increase in the Statewide PMPM of 25.4% (\$468.98/\$373.87) between 2020 and 2018. On a combined basis, the Statewide PMPM is expected to increase 31.3%, when compared to the Individual market (\$490.96/\$373.87). The 2020 Statewide PLRS decreases on a combined basis, from 1.280 (Statewide Individual) to 1.176 (Statewide Combined). The PLRS for BlueChoice Individual remains the same at 0.894, and when compared to the combined statewide PLRS of 1.176 the segment is 24% healthier than the State (it was 30% healthier under separate risk adjustment). The higher Statewide PMPM and lower statewide PLRS causes BlueChoice Individual to pay 98% less in risk adjustment dollars. The resultant estimate of combined risk adjustment is that the BlueChoice payable transfer PMPM for the Individual market will decrease from \$-45.99 in 2018 to \$-0.98 in 2020, vs. \$-60.03 (non-combined).  $\$-0.98/\$-60.03 = -98\%$ . Based on the resulting change in combined risk adjustment and its effect on the rates we have made no adjustments to other assumptions in the filing.

#### **Exchange User Fees:**

There are no applicable exchange user fees since the rates in this filing are not offered on the Federal Marketplace.

#### 4.4.4 Plan Adjusted Index Rate

Exhibit 11 in the Memorandum displays the adjustments made for each plan. Every plan adjusted index rate is developed from the market adjusted index rate using only the allowable plan level modifiers as follows:

- **Actuarial value and cost-sharing design of the plan:** The actuarial value for each plan was determined using our own internal model and estimates the ratio of paid to allowed dollars given that plan's benefit design and the assumed allowed amount consistent with the projection period index rate. The URRT instructions state that this adjustment may "...take into account the benefit differences and *utilization differences due to differences in cost-sharing*." As a result, our plan adjusted index rates also include adjustments to account for the impact the metal level has on utilization.
- **Provider network:** All plans offered use the Open Access network.
- **Benefits in addition to EHBs:** There is an adjustment to account for abortion coverage and adult vision (which are offered in addition to EHBs).
- **Administrative costs:** See Exhibit 10A in the Memorandum for the assumed values of the following additional items.
  1. Administrative Expense (G&A)
  2. Broker Commissions & Fees
  3. Federal Income Tax (FIT)
  4. Contribution to Reserve (Post-Tax)
  5. State Premium Tax
  6. Health Insurer Fee (HIF)
  7. Risk Adjustment User Fee
  8. Exchange Assessment Fee
- **Catastrophic adjustment:** The catastrophic factor has been developed from the experience of the catastrophic population and is applied only to the catastrophic plan as required. See the Appendix in the Memorandum for more details. All other factors applied to the Market Adjusted Index Rate are the same across all plans.

For each plan, we have taken the applicable adjustment factor from each category above and multiplied them by the market adjusted index rate to derive each plan adjusted index rate.

#### 4.4.5 Calibration

##### Age Curve Calibration

We have calibrated to the rounded weighted average age which was determined as the age for the factor nearest our projected average factor. We have used the standard DC age curve factors and weighted them using member months in our calculation.

A demonstration of how the plan adjusted index rates and the age curve are used to generate the schedule of premium rates for each plan can be found on Exhibit 13.

##### Geographic Factor Calibration

We have elected not to rate for geographic region.

## **Tobacco Use Rating Factor Calibration**

We have elected not to rate for tobacco usage.

### **4.4.6 Consumer Adjusted Premium Rate Development**

The premium rate that a given consumer will be charged is calculated by first taking the plan adjusted index rate for that member's chosen plan and dividing by the projected average age rating factor. The resulting value is the base rate for that plan. The final step in determining a consumer adjusted premium rate is to take the rate from the first step and multiply it by the corresponding factor for that member's age from the standard DC age curve. Rate charts are provided for all the consumer adjusted premiums.

## **4.5 Projected Loss Ratio**

The projected loss ratio for the rates provided in this file, using the Federally-prescribed MLR methodology, is 76.3% for the Individual market and 80.8% for the combined Individual/Small Group market. Details behind this calculation can be found in Exhibit 10B.

## **4.6 Plan Product Information**

### **4.6.1 AV Metal Values**

The majority of our 2020 plans include varying cost share levels for some services that depend on the setting in which care is delivered. The HHS AV calculator was used to compute two separate AVs for each impacted plan – one which applied the higher level of cost-share, and one which applied the lower level of cost-share. The results were blended assuming 81% of the designated services are rendered in higher cost-share setting and the remaining 19% at the lower, consistent with experience from our small group and individual markets. Plans without these features used the AV calculator without modification.

Additional details regarding the unique plan designs not accommodated by the HHS AV Calculator along with printouts for each plan are provided in the "Actuarial Memorandum" section of the Supporting Documentation tab of the SERFF filing.

### **4.6.2 Membership Projections**

The membership projections found in Worksheet 2 of the URRT were developed from enrollment as of 2/28/19 using assumptions for termination rates, new sales and transfers. The projections also incorporate any plan mappings anticipated between that month and the rating period. For new plan offerings where no plans are being uniformly modified into them, a minimum level of enrollment was assumed.

### **4.6.3 Plan Type**

Each plan in Worksheet 2, Section I of the URRT contains a plan type that describes the plan exactly.

## **4.7 Miscellaneous Instructions**

### **4.7.1 Effective Rate Review Information (Optional)**

We have no additional exhibits.

### **4.7.2 Reliance**

We do not have any reliance to state.

### **4.7.3 Actuarial Certification**

Included in the Memorandum.

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rate Filing # 2342  
D.C. Individual Products  
Rate Filing Effective 1/1/2020**

**Actuarial Memorandum**



**BlueChoice Inc.**  
**(NAIC # 96202)**  
**H.R. 3950 - Public Law 111-148 - Patient Protection and Affordable Care Act (ACA)**  
**D.C. Individual Products**  
**Rate Filing Effective 1/1/2020**  
**Actuarial Certification**

I, Cory Bream, am a(n) Actuarial Associate with CareFirst BlueChoice doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries (AAA) in good standing and have the education and experience necessary to perform the work. Rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the AAA's Code of Professional Conduct. While other ASOPs apply, a sample listing is below.

- i. ASOP No. 5, Incurred Health and Disability Claims
- ii. ASOP No. 8, Regulatory Filings for Health Plan Entities
- iii. ASOP No. 12, Risk Classification
- iv. ASOP No. 23, Data Quality
- v. ASOP No. 25, Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverages
- vi. ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health and Benefit Plans
- vii. ASOP No. 41, Actuarial Communications
- viii. ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance. Should new guidance be released, this filing may be revised. I certify that this filing has been prepared based on sound and commonly accepted actuarial principles, practices and assumptions in the aggregate for the legal entity.

I further certify the following:

1. The projected Index Rate is:
  - a. In compliance with all applicable state and Federal statutes and regulations (45 CFR § 156.80(d)(1) and 147.102).
  - b. Developed in compliance with the applicable Actuarial Standards of Practice.
  - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
  - d. Neither excessive nor deficient.
2. The Index Rate and only the allowable modifiers as described in 45 CFR § 156.80(d)(1) and 45 CFR § 156.80(d)(2) were used to generate plan level rates. These rates have been calibrated to account for age (geography and tobacco are not applicable).
3. Consistent with 45 CFR § 156.135, the 2020 HHS Actuarial Values (AV) Calculator was used to determine the AV metal values shown in Worksheet 2 of Part I of the Unified Rate Review Template (URRT) for all plans except those specified. Where necessary, the AVs of the benefits proposed have been calculated with minimal modifications to the AV calculator as described in the Actuarial Memorandum.

As a qualifier to the opinion, the URRT does not demonstrate the process used by the issuer to develop the rates. Rather it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Marketplaces, and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

**Cory Bream** Digitally signed by Cory Bream  
Date: 2019.05.24 09:05:22 -04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate  
CareFirst BlueCross BlueShield  
Mail Drop-Point 01-720  
10455 Mill Run Circle  
Owings Mills, MD 21117

### Exhibit 1 - Market Adjusted Index Rate Summary

|      |  | 2020      | Exhibit |
|------|--|-----------|---------|
| (1)  | Base Period Total Allowed                            | \$ 390.36 | 2       |
| (2)  | Base Period Non-EHB PMPM                             | \$ 0.34   | 2       |
| (3)  | Experience Period Index Rate                         | \$ 390.02 |         |
| (4)  | Change in Morbidity                                  | 1.0057    | 4       |
| (5)  | Additional Population Adjustment                     | 1.0000    |         |
| (6)  | Induced Demand                                       | 1.0036    | 5       |
| (7)  | Projection Period Utilization and Network Adjustment | 1.0000    |         |
| (8)  | Demographic Adjustment                               | 0.9923    | 6       |
| (9)  | Area Adjustment                                      | 1.0000    |         |
| (10) | Additional "Other" Adjustments                       | 1.0001    | 7       |
| (11) | Annualized Trend                                     | 7.5%      | 8       |
| (12) | Months of Trend                                      | 24.0      |         |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.1558    |         |
| (14) | Projection Period Index Rate                         | \$ 451.52 |         |
| (15) | Risk Adjustment Program                              | 1.0046    | 9       |
| (16) | Federal Exchange User Fee                            | 1.0000    |         |
| (17) | Market Adjusted Index Rate                           | \$ 453.60 |         |
|      | Without Risk Adjustment                              | \$ 451.52 |         |

**The projection period index rate was developed by projecting individual URRT service categories and then building up into a total PMPM. As a result the adjustments above may not match the referenced exhibits exactly because these represent the average factor when considering application at the service category level.**

## Exhibit 2 - Base Period Experience

| Service Category                       | Incurred  | Allowed            | Allowed PMPM | Utilization Description | Utilization per 1,000 | Average Cost/Service |    |           |
|--|-----------|--------------------|--------------|-------------------------|-----------------------|----------------------|----|-----------|
| Inpatient Hospital                     | \$        | 31,263,298         | \$           | 64.70                   | Admits                | 51.67                | \$ | 15,025.01 |
| Outpatient Hospital                    | \$        | 34,081,924         | \$           | 70.53                   | Visits                | 593.91               | \$ | 1,425.12  |
| Professional                           | \$        | 64,435,276         | \$           | 133.35                  | Visits                | 9,954.65             | \$ | 160.75    |
| Other Medical                          | \$        | 11,719,373         | \$           | 24.25                   | Services              | 1,336.37             | \$ | 217.78    |
| Capitation                             | \$        | 379,254            | \$           | 0.78                    | Benefit Period        | 1,000                | \$ | 9.42      |
| Prescription Drug                      | \$        | 46,746,709         | \$           | 96.74                   | Prescriptions         | 7,753.00             | \$ | 149.74    |
| <b>Total (EHB &amp; Non-EHB)</b>       | <b>\$</b> | <b>188,625,834</b> | <b>\$</b>    | <b>390.36</b>           |                       |                      |    |           |
| <b>EHB Allowed</b>                     | <b>\$</b> | <b>188,460,839</b> | <b>\$</b>    | <b>390.02</b>           |                       |                      |    |           |
| <b>Non-EHB Allowed</b>                 | <b>\$</b> | <b>164,996</b>     | <b>\$</b>    | <b>0.34</b>             |                       |                      |    |           |
| <b>Incurred Net</b>                    | <b>\$</b> | <b>160,837,637</b> | <b>\$</b>    | <b>332.85</b>           |                       |                      |    |           |
| <b>Net/Allowed</b>                     |           | <b>85.27%</b>      |              |                         |                       |                      |    |           |
| <b>Experience Period Member Months</b> |           | <b>483,210</b>     |              |                         |                       |                      |    |           |
| <b>Experience Period Revenue</b>       | <b>\$</b> | <b>210,277,846</b> |              |                         |                       |                      |    |           |

### Exhibit 3 - Non-EHB Adjustment

| HIOS Plan ID   | Plan Name                                  | Exchange | 2020 Index Rate | 2020 Non-EHB PMPM | 2020 Non-EHB Adjustment |
|----------------|--|----------|-----------------|-------------------|-------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$ 451.52       | \$ 3.06           | 1.0068                  |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$ 451.52       | \$ 2.55           | 1.0057                  |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$ 451.52       | \$ 6.03           | 1.0134                  |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$ 451.52       | \$ 3.31           | 1.0073                  |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$ 451.52       | \$ 2.32           | 1.0051                  |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$ 451.52       | \$ 3.40           | 1.0075                  |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$ 451.52       | \$ 2.69           | 1.0060                  |

Exhibit 4 - Morbidity Adjustment Factor

Base Year

| Metal Level     | Member Months  | 2018 Normalized Allowed PMPM |
|-----------------|----------------|------------------------------|
| Catastrophic    | 8,314          | \$ 80.94                     |
| Bronze          | 39,683         | \$ 131.73                    |
| Silver          | 111,862        | \$ 191.07                    |
| Gold            | 169,283        | \$ 210.46                    |
| Platinum        | 153,964        | \$ 236.35                    |
| <b>Subtotal</b> | <b>483,106</b> | <b>\$ 205.52</b>             |

Current Year YTD

| Existing        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 903           | \$ 87.07                     | 1.000                | \$ 87.07                              |
| Bronze          | 5,219         | \$ 125.51                    | 1.000                | \$ 125.51                             |
| Silver          | 15,115        | \$ 190.25                    | 1.000                | \$ 190.25                             |
| Gold            | 23,249        | \$ 205.55                    | 1.000                | \$ 205.55                             |
| Platinum        | 20,575        | \$ 238.16                    | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>65,061</b> | <b>\$ 204.24</b>             | <b>1.000</b>         | <b>\$ 204.24</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 348           | \$ 87.07   | 1.000                | \$ 87.07                              |
| Bronze          | 1,428         | \$ 125.51  | 1.000                | \$ 125.51                             |
| Silver          | 2,943         | \$ 190.25  | 1.000                | \$ 190.25                             |
| Gold            | 4,470         | \$ 205.55  | 1.000                | \$ 205.55                             |
| Platinum        | 3,507         | \$ 238.16  | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>12,696</b> | <b>\$ 198.76</b>                                 | <b>1.000</b>         | <b>\$ 198.76</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 70            | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 603           | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 1,945         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,451         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 2,207         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>7,276</b>  | <b>\$ 228.05</b>             | <b>1.000</b>         | <b>\$ 228.05</b>                      |

| Total           |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 1,321         | \$ 87.29                     | 1.000                | \$ 87.29                              |
| Bronze          | 7,250         | \$ 129.20                    | 1.000                | \$ 129.20                             |
| Silver          | 20,003        | \$ 191.07                    | 1.000                | \$ 191.07                             |
| Gold            | 30,170        | \$ 210.48                    | 1.000                | \$ 210.48                             |
| Platinum        | 26,289        | \$ 237.62                    | 1.000                | \$ 237.62                             |
| <b>Subtotal</b> | <b>85,033</b> | <b>\$ 205.46</b>             | <b>1.000</b>         | <b>\$ 205.46</b>                      |

Remainder of Current Year

| Existing        |                |                                       |  |
|-----------------|----------------|---------------------------------------|--|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 3,743          | \$ 87.07                              |  |
| Bronze          | 24,090         | \$ 125.51                             |  |
| Silver          | 79,441         | \$ 190.25                             |  |
| Gold            | 119,749        | \$ 205.55                             |  |
| Platinum        | 109,114        | \$ 238.16                             |  |
| <b>Subtotal</b> | <b>336,137</b> | <b>\$ 205.46</b>                      |  |

| New             |               |                                       |  |
|-----------------|---------------|---------------------------------------|--|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 2,585         | \$ 87.07                              |  |
| Bronze          | 8,897         | \$ 125.51                             |  |
| Silver          | 13,352        | \$ 190.25                             |  |
| Gold            | 21,812        | \$ 205.55                             |  |
| Platinum        | 13,638        | \$ 238.16                             |  |
| <b>Subtotal</b> | <b>60,284</b> | <b>\$ 192.65</b>                      |  |

| Transfer        |               |                                       |  |
|-----------------|---------------|---------------------------------------|--|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 340           | \$ 91.21                              |  |
| Bronze          | 2,704         | \$ 169.89                             |  |
| Silver          | 6,703         | \$ 198.66                             |  |
| Gold            | 9,174         | \$ 266.27                             |  |
| Platinum        | 7,246         | \$ 231.76                             |  |
| <b>Subtotal</b> | <b>26,167</b> | <b>\$ 227.16</b>                      |  |

| Total           |                |                                       |  |
|-----------------|----------------|---------------------------------------|--|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 6,668          | \$ 87.28                              |  |
| Bronze          | 35,691         | \$ 128.87                             |  |
| Silver          | 99,496         | \$ 190.82                             |  |
| Gold            | 150,735        | \$ 209.24                             |  |
| Platinum        | 129,998        | \$ 237.80                             |  |
| <b>Subtotal</b> | <b>422,588</b> | <b>\$ 204.98</b>                      |  |

Total Current Year

| Total           | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
|-----------------|----------------|---------------------------------------|
| Catastrophic    | 7,989          | \$ 87.28                              |
| Bronze          | 42,941         | \$ 128.93                             |
| Silver          | 119,499        | \$ 190.86                             |
| Gold            | 180,905        | \$ 209.45                             |
| Platinum        | 156,287        | \$ 237.77                             |
| <b>Subtotal</b> | <b>507,621</b> | <b>\$ 205.06</b>                      |

Rating Year

| Existing        |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,169          | \$ 87.28                     | 1.000                | \$ 87.28                              |
| Bronze          | 35,159         | \$ 128.93                    | 1.000                | \$ 128.93                             |
| Silver          | 104,278        | \$ 190.86                    | 1.000                | \$ 190.86                             |
| Gold            | 122,399        | \$ 209.45                    | 1.000                | \$ 209.45                             |
| Platinum        | 178,100        | \$ 237.77                    | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>446,105</b> | <b>\$ 208.38</b>             | <b>1.000</b>         | <b>\$ 208.38</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,918         | \$ 87.28   | 1.000                | \$ 87.28                              |
| Bronze          | 9,972         | \$ 128.93  | 1.000                | \$ 128.93                             |
| Silver          | 14,742        | \$ 190.86  | 1.000                | \$ 190.86                             |
| Gold            | 16,206        | \$ 209.45  | 1.000                | \$ 209.45                             |
| Platinum        | 17,038        | \$ 237.77  | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>60,876</b> | <b>\$ 193.83</b>                                 | <b>1.000</b>         | <b>\$ 193.83</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 300           | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 2,052         | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 2,724         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,028         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 1,740         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>8,844</b>  | <b>\$ 210.35</b>             | <b>1.000</b>         | <b>\$ 210.35</b>                      |

| Total           |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 9,387          | \$ 87.41                     | 1.000                | \$ 87.41                              |
| Bronze          | 47,183         | \$ 130.71                    | 1.000                | \$ 130.71                             |
| Silver          | 121,744        | \$ 191.03                    | 1.000                | \$ 191.03                             |
| Gold            | 140,633        | \$ 210.27                    | 1.000                | \$ 210.27                             |
| Platinum        | 196,878        | \$ 237.72                    | 1.000                | \$ 237.72                             |
| <b>Subtotal</b> | <b>515,825</b> | <b>\$ 206.69</b>             | <b>1.000</b>         | <b>\$ 206.69</b>                      |

| Year | Adjusted Normalized PMPM | Year over Year Change |
|------|--------------------------|-----------------------|
| 2018 | \$ 205.52                | n/a                   |
| 2019 | \$ 205.06                | -0.2%                 |
| 2020 | \$ 206.69                | 0.8%                  |

|                             |        |
|-----------------------------|--------|
| Morbidity Adjustment Change | 0.6%   |
| Morbidity Adjustment Factor | 1.0057 |

### Exhibit 5 - Induced Utilization Adjustment Factor

| Year                   | Actuarial Value | Induced Demand Factor |         |
|------------------------|-----------------|-----------------------|---------|
| (1) 2018               | 78.33%          | 1.0716                |         |
| (2) Projected 2020     | 79.10%          | 1.0755                |         |
| (3) <b>Adjustment*</b> |                 | <b>1.0036</b>         | (2)/(1) |

**\*Applied to all service categories except capitations**

### Exhibit 6 - Demographic Adjustment

|     | Period                           | Cohort     | Demo Factor*  | Weight | Average Age** |
|-----|----------------------------------|------------|---------------|--------|---------------|
| (1) | Base Period                      | All        | 1.6526        | 100.0% | 34.0          |
| (2) | Rating Period                    | Existing   | 1.6594        | 86.5%  |               |
|     |                                  | New        | 1.5005        | 11.8%  |               |
|     |                                  | Transfer   | 1.6150        | 1.7%   |               |
| (3) | Rating Period                    | All        | 1.6399        | 100.0% | 33.8          |
| (4) | <b>Demographic Adjustment***</b> | <b>All</b> | <b>0.9923</b> |        |               |

(3) / (1)

\*Demo factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*Average ages are member weighted

\*\*\*Applied to all service categories except capitations

### Exhibit 7 - Factors for Additional "Other" Adjustments

#### Capitation adjustment

|     |  |    |               |         |
|-----|--|----|---------------|---------|
| (1) | EP Capitation PMPM                       | \$ | 0.54          |         |
| (2) | Projected Capitations PMPM               | \$ | 0.79          |         |
| (3) | <b>Adjustment to Capitation Category</b> |    | <b>1.4615</b> | (2)/(1) |

#### Drug Rebates adjustment

|     |  |    |               |         |
|-----|--|----|---------------|---------|
| (4) | Experience Period Allowed Rx PMPM (Pre-Rebate) | \$ | 113.95        |         |
| (5) | Experience Pharmacy Rebates PMPM               | \$ | 17.21         |         |
| (6) | Projected Pharmacy Rebates PMPM                | \$ | 15.27         |         |
| (7) | Post-Rebate Rx PMPM (using Experience Rebates) | \$ | 96.74         |         |
| (8) | Post-Rebate Rx PMPM (using Projected Rebates)  | \$ | 98.69         |         |
| (9) | <b>Adjustment to Drug Category</b>             |    | <b>1.0201</b> | (8)/(7) |

#### Formulary Adjustments

|      |  |    |               |                             |
|------|--|----|---------------|-----------------------------|
| (10) | Experience Period Allowed Rx PMPM (Pre-Rebate, existing formulary) | \$ | 113.95        |                             |
| (11) | Ingredient cost Adjustment Factor                                  |    | 0.9812        |                             |
| (12) | Experience Period Allowed Rx PMPM (Pre-Rebate, new formulary)      | \$ | 111.81        | (10)*(11)                   |
| (13) | Projection Period Pharmacy Rebates PMPM                            | \$ | 15.27         |                             |
| (14) | <b>Adjustment to Drug Category</b>                                 |    | <b>0.9783</b> | [(12) - (13)]/[(10) - (13)] |

|                     | PMPM             | Adjustment    |          |
|---------------------|------------------|---------------|----------|
| Inpatient Hospital  | \$ 72.81         | 1.0000        |          |
| Outpatient Hospital | \$ 77.92         | 1.0000        |          |
| Professional        | \$ 159.12        | 1.0000        |          |
| Other Medical       | \$ 31.20         | 1.0000        |          |
| Capitation          | \$ 0.54          | 1.4615        | (3)      |
| Prescription Drug   | \$ 109.90        | 0.9980        | (9)*(14) |
| <b>Total</b>        | <b>\$ 451.49</b> | <b>1.0001</b> |          |

PMPM weights are set equal projected PMPM without "other" adj.



### Exhibit 8 - Annual Trend Assumptions

|                            | 2018 PMPM | Weight | Utilization/1,000 | Unit Cost | Composite     |
|----------------------------|-----------|--------|-------------------|-----------|---------------|
| <b>Inpatient Hospital</b>  | \$ 64.70  | 16.6%  | 1.0600            | 1.0000    | 1.0600        |
| <b>Outpatient Hospital</b> | \$ 70.53  | 18.1%  | 1.0400            | 1.0100    | 1.0504        |
| <b>Professional</b>        | \$ 133.35 | 34.2%  | 1.0600            | 1.0300    | 1.0918        |
| <b>Other Medical</b>       | \$ 24.25  | 6.2%   | 1.0900            | 1.0400    | 1.1336        |
| <b>Capitation</b>          | \$ 0.78   | 0.2%   | 1.0000            | 1.0000    | 1.0000        |
| <b>Prescription Drug</b>   | \$ 96.74  | 24.8%  | 1.0000            | 1.0650    | 1.0650        |
| <b>Total</b>               | \$ 390.36 | 100.0% |                   |           | 1.0748        |
| <b>Proposed Trend</b>      |           |        |                   |           | <b>1.0751</b> |

### Exhibit 9 - Risk Adjustment

#### 2018

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 8,500         | 15.0%        | 0.3039 | 0.7352 | -\$1,712     | -\$0.20   |
| Bronze        | 23,271        | 41.1%        | 0.6527 | 1.1764 | -\$3,688,344 | -\$158.49 |
| Silver        | 14,062        | 24.9%        | 1.5123 | 1.1745 | -\$55,131    | -\$3.92   |
| Gold          | 7,134         | 12.6%        | 1.7616 | 1.0794 | \$289,819    | \$40.62   |
| Platinum      | 3,601         | 6.4%         | 2.6648 | 1.0803 | \$853,646    | \$237.06  |
| Total         | 56,568        | 100.0%       | 1.0819 | 1.0913 | -\$2,601,722 | -\$45.99  |

#### Statewide 2018

#### Statewide PMPM 2018

|                             |           |  |        |        |    |        |
|-----------------------------|-----------|--|--------|--------|----|--------|
| Catastrophic                | 9,196     |  | 0.3044 | 0.7349 | \$ | 97.07  |
| Individual Non-Catastrophic | 1,122,143 |  | 1.2892 | 1.0469 | \$ | 414.41 |

#### 2020

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 9,387         | 16.8%        | 0.2697 | 0.5970 | -\$18,719    | -\$1.99   |
| Bronze        | 26,596        | 47.6%        | 0.5615 | 1.1441 | -\$3,942,345 | -\$148.23 |
| Silver        | 12,831        | 22.9%        | 1.4061 | 1.1375 | \$1,496,050  | \$116.60  |
| Gold          | 4,666         | 8.3%         | 1.8198 | 1.0737 | \$1,192,270  | \$255.52  |
| Platinum      | 2,451         | 4.4%         | 2.4598 | 1.0523 | \$1,217,942  | \$496.92  |
| Total         | 55,931        | 100.0%       | 0.8945 | 1.0409 | -\$54,801    | -\$0.98   |

#### Statewide 2020

#### Statewide PMPM 2020

|                             |           |  |        |        |    |        |
|-----------------------------|-----------|--|--------|--------|----|--------|
| Catastrophic                | 9,986     |  | 0.2741 | 0.5968 | \$ | 121.76 |
| Individual Non-Catastrophic | 1,127,169 |  | 1.1760 | 1.0532 | \$ | 490.96 |

#### Adjustment Factor applied to Market Adjusted Index Rate

| Projected Index Rate | Projected Transfer PMPM (Allowed basis) | Risk Adjustment User Fee | Adjustment Factor* |
|----------------------|---|--------------------------|--------------------|
| \$451.52             | -\$1.90                                 | \$0.18                   | 1.0046             |

\*Adjustment Factor = (\$451.52 - \$-1.9+ \$0.18) / \$451.52

# Exhibit 10A - Desired Incurred Claims Ratio

|                                       | 2020      |              |
|---------------------------------------|-----------|--------------|
|                                       | PMPM      | % of Revenue |
| Allowed Claims                        | \$ 452.66 |              |
| Paid/Allowed Ratio                    | 51.4%     |              |
| Paid Claims & Capitations             | \$ 232.87 |              |
| Risk Adjustment Transfer (Paid Basis) | \$ (0.98) |              |
| Reinsurance Recoveries (Paid Basis)   | \$ -      |              |
| Paid Claims & Capitations (Post-3Rs)  | \$ 233.85 | 73.2%        |
| Administrative Expense                | \$ 64.23  | 20.1%        |
| Broker Commissions & Fee              | \$ 2.05   | 0.6%         |
| Contribution to Reserve (Post-Tax)    | \$ 1.28   | 0.4%         |
| Investment Income Credit              | \$ (0.32) | -0.1%        |
| Risk Charge                           | \$ -      | 0.0%         |
| <u>Non-ACA Taxes &amp; Fees</u>       |           |              |
| State Premium Tax                     | \$ 6.39   | 2.0%         |
| State Assessment Fee                  | \$ 0.32   | 0.1%         |
| Reinsurance Program Fee               | \$ -      | 0.0%         |
| State Income Tax                      | \$ -      | 0.0%         |
| Federal Income Tax                    | \$ 0.32   | 0.1%         |
| <u>ACA Taxes &amp; Fees</u>           |           |              |
| Health Insurer Tax                    | \$ 8.09   | 2.5%         |
| Risk Adjustment User Fee              | \$ 0.18   | 0.1%         |
| Exchange Assessment Fee               | \$ 3.20   | 1.0%         |
| Federal Exchange User Fee             | \$ -      | 0.0%         |
| BlueRewards/Incentive Program         | \$ -      | 0.0%         |
| Total Revenue                         | \$ 319.58 | 100.0%       |
| Plan Level Admin Load Adjustment      | 1.3656    |              |
| Projected Member Months               | 55,931    |              |
| Average Members                       | 4,661     |              |
| % Total 2020                          | 100.0%    |              |

## Exhibit 10B - Federal MLR

Total 2020  
PMPM / %

### Traditional MLR Development

|                                      |    |        |
|--------------------------------------|----|--------|
| Paid Claims & Capitations (Post-3Rs) | \$ | 233.85 |
| Total Revenue                        | \$ | 319.58 |
| <hr/>                                |    |        |
| Traditional MLR (i.e. DICR)          |    | 73.2%  |

### Federal MLR Development

#### Numerator Adjustments

|  |    |        |
|--|----|--------|
| BlueRewards/Incentive Program                  | \$ | -      |
| Quality Improvement Expenses                   | \$ | 1.69   |
| Removal of non-care costs under MLR guidelines | \$ | (5.75) |

#### Denominator Adjustments

|                      |    |       |
|----------------------|----|-------|
| Non-ACA Taxes & Fees | \$ | 7.03  |
| ACA Taxes & Fees     | \$ | 11.47 |

|                         |    |        |
|-------------------------|----|--------|
| Federal MLR Numerator   | \$ | 229.79 |
| Federal MLR Denominator | \$ | 301.08 |
| <hr/>                   |    |        |
| Federal MLR             |    | 76.3%  |

|                         |  |        |
|-------------------------|--|--------|
| Projected Member Months |  | 55,931 |
|-------------------------|--|--------|

# **Exhibit 10B - Federal MLR (Combined SG & Individual)**

**Total 2020  
PMPM / %**

## **Traditional MLR Development**

|   |                  |
|---|------------------|
| <b>Paid Claims &amp; Capitations (Post-3Rs)</b> | <b>\$ 401.34</b> |
| <b>Total Revenue</b>                            | <b>\$ 526.14</b> |
| <b>Traditional MLR (i.e. DICR)</b>              | <b>76.3%</b>     |

## **Federal MLR Development**

### **Numerator Adjustments**

|   |                  |
|---|------------------|
| <b>BlueRewards/Incentive Program</b>                  | <b>\$ 0.35</b>   |
| <b>Quality Improvement Expenses</b>                   | <b>\$ 2.82</b>   |
| <b>Removal of non-care costs under MLR guidelines</b> | <b>\$ (5.99)</b> |

### **Denominator Adjustments**

|                                 |                 |
|---------------------------------|-----------------|
| <b>Non-ACA Taxes &amp; Fees</b> | <b>\$ 14.03</b> |
| <b>ACA Taxes &amp; Fees</b>     | <b>\$ 18.76</b> |

|                                |                  |
|--------------------------------|------------------|
| <b>Federal MLR Numerator</b>   | <b>\$ 398.52</b> |
| <b>Federal MLR Denominator</b> | <b>\$ 493.35</b> |
| <b>Federal MLR</b>             | <b>80.8%</b>     |

**Projected Member Months 515,825**

**Exhibit 11 - Plan Adjusted Index Rates**

| HIOS Plan ID   | Plan Name                                  | Plan Type | Metallic Tier | Exchange | Network     | Market Adjusted Index Rate | Internal Pricing AV | Network Factor | Induced Utilization | Non-EHB | Catastrophic Adjustment | Admin  | Plan Adjusted Index Rate |
|----------------|--|-----------|---------------|----------|-------------|----------------------------|---------------------|----------------|---------------------|---------|-------------------------|--------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | HMO       | SILVER        | On       | Open Access | \$453.60                   | 0.6387              | 0.9540         | 0.9526              | 1.0068  | 1.0000                  | 1.3656 | \$361.97                 |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | HMO       | GOLD          | On       | Open Access | \$453.60                   | 0.8216              | 0.9540         | 0.9940              | 1.0057  | 1.0000                  | 1.3656 | \$485.34                 |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | HMO       | CATASTROPHIC  | On       | Open Access | \$453.60                   | 0.5425              | 0.9540         | 0.9210              | 1.0134  | 0.4892                  | 1.3656 | \$146.36                 |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | HMO       | BRONZE        | On       | Open Access | \$453.60                   | 0.5862              | 0.9540         | 0.9210              | 1.0073  | 1.0000                  | 1.3656 | \$321.38                 |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | HMO       | PLATINUM      | On       | Open Access | \$453.60                   | 0.9124              | 0.9540         | 1.0590              | 1.0051  | 1.0000                  | 1.3656 | \$573.90                 |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO       | BRONZE        | On       | Open Access | \$453.60                   | 0.5638              | 0.9540         | 0.9210              | 1.0075  | 1.0000                  | 1.3656 | \$309.16                 |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | HMO       | GOLD          | On       | Open Access | \$453.60                   | 0.7474              | 0.9540         | 0.9940              | 1.0060  | 1.0000                  | 1.3656 | \$441.64                 |

### Exhibit 12 - AV Values

| HIOS Plan ID   | Suffix | HIOS Plan Name                             | HHS AV |
|----------------|--------|--|--------|
| 86052DC0400001 | 01     | BlueChoice HMO Standard Silver \$4,000     | 0.7184 |
| 86052DC0400001 | 02     | BlueChoice HMO Standard Silver \$4,000 NAO | 1.0000 |
| 86052DC0400001 | 03     | BlueChoice HMO Standard Silver \$4,000 NAL | 0.7184 |
| 86052DC0400001 | 04     | BlueChoice HMO Standard Silver \$4,000 A   | 0.7391 |
| 86052DC0400001 | 05     | BlueChoice HMO Standard Silver \$4,000 B   | 0.8774 |
| 86052DC0400001 | 06     | BlueChoice HMO Standard Silver \$4,000 C   | 0.9395 |
| 86052DC0400002 | 01     | BlueChoice HMO Standard Gold \$500         | 0.8194 |
| 86052DC0400002 | 02     | BlueChoice HMO Standard Gold \$500 NAO     | 1.0000 |
| 86052DC0400002 | 03     | BlueChoice HMO Standard Gold \$500 NAL     | 0.8194 |
| 86052DC0400004 | 01     | BlueChoice HMO Young Adult \$8,150         | 0.6179 |
| 86052DC0400007 | 01     | BlueChoice HMO Standard Bronze \$7,250     | 0.6485 |
| 86052DC0400007 | 02     | BlueChoice HMO Standard Bronze \$7,250 NAO | 1.0000 |
| 86052DC0400007 | 03     | BlueChoice HMO Standard Bronze \$7,250 NAL | 0.6485 |
| 86052DC0400008 | 01     | BlueChoice HMO Standard Platinum \$0       | 0.8959 |
| 86052DC0400008 | 02     | BlueChoice HMO Standard Platinum \$0 NAO   | 1.0000 |
| 86052DC0400008 | 03     | BlueChoice HMO Standard Platinum \$0 NAL   | 0.8959 |
| 86052DC0400010 | 01     | BlueChoice HMO HSA Standard Bronze \$6,200 | 0.6313 |
| 86052DC0400010 | 02     | BlueChoice HMO Standard Bronze \$6,200 NAO | 1.0000 |
| 86052DC0400010 | 03     | BlueChoice HMO Standard Bronze \$6,200 NAL | 0.6313 |
| 86052DC0400011 | 01     | BlueChoice HMO HSA Gold \$1,500            | 0.7905 |
| 86052DC0400011 | 02     | BlueChoice HMO Gold \$1,500 NAO            | 1.0000 |
| 86052DC0400011 | 03     | BlueChoice HMO Gold \$1,500 NAL            | 0.7905 |

### Exhibit 13 - Age Calibration

| Age Curve Calibration |                 |          |                |        |               |
|-----------------------|-----------------|----------|----------------|--------|---------------|
|                       | Period          | Cohort   | Rating Factor* | Weight | Average Age** |
| (1)                   | Rating Period   | Existing | 1.0502         | 86.5%  |               |
|                       |                 | New      | 0.9751         | 11.8%  |               |
|                       |                 | Transfer | 1.0296         | 1.7%   |               |
| (2)                   | Rating Period   | All      | 1.0410         | 100.0% | 41.7          |
| (3)                   | Nearest Rounded | All      | 1.0530         |        | 42.0          |
| (4)                   | Calibration***  | All      | 1.0115         |        |               |

(3)/(2)

| Premium Rate Demonstration |  |  |                  |
|----------------------------|--|--|------------------|
|                            | HIOS Plan Name                                       | BlueChoice HMO Standard Silver \$4,000 |                  |
| (5)                        | Plan Adjusted Index Rate                             |  | \$361.97         |
| (6)                        | Calibration  |  | 1.0115 (4)       |
| (7)                        | Calibrated Rate                                      |  | \$366.15 (5)*(6) |
| (8)                        | Age 40 Factor/Rounded Avg Age Factor = (0.975/1.053) |  | 0.9259           |
| (9)                        | Age 40 Premium Rate                                  |  | \$339.03 (7)*(8) |

\*Rating factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*The rating period average age is determined from the member weighted average factor. Specifically it is linearly interpolated using the two age factors on the curve surrounding the member weighted average factor.

\*\*\*Applied uniformly to all plans



## Exhibit 14 - Age Factors

| Age  | Factor |
|------|--------|
| <=14 | 0.654  |
| 15   | 0.654  |
| 16   | 0.654  |
| 17   | 0.654  |
| 18   | 0.654  |
| 19   | 0.654  |
| 20   | 0.654  |
| 21   | 0.727  |
| 22   | 0.727  |
| 23   | 0.727  |
| 24   | 0.727  |
| 25   | 0.727  |
| 26   | 0.727  |
| 27   | 0.727  |
| 28   | 0.744  |
| 29   | 0.760  |
| 30   | 0.779  |
| 31   | 0.799  |
| 32   | 0.817  |
| 33   | 0.836  |
| 34   | 0.856  |
| 35   | 0.876  |
| 36   | 0.896  |
| 37   | 0.916  |
| 38   | 0.927  |
| 39   | 0.938  |
| 40   | 0.975  |
| 41   | 1.013  |
| 42   | 1.053  |
| 43   | 1.094  |
| 44   | 1.137  |
| 45   | 1.181  |
| 46   | 1.227  |
| 47   | 1.275  |
| 48   | 1.325  |
| 49   | 1.377  |
| 50   | 1.431  |
| 51   | 1.487  |
| 52   | 1.545  |
| 53   | 1.605  |
| 54   | 1.668  |
| 55   | 1.733  |
| 56   | 1.801  |
| 57   | 1.871  |
| 58   | 1.944  |
| 59   | 2.020  |
| 60   | 2.099  |
| 61   | 2.181  |
| 62   | 2.181  |
| 63   | 2.181  |
| 64+  | 2.181  |

**Exhibit 15 - Induced Utilization Factors**

| CDH/Non-CDH | Projected Member Months | Relative to HSA/HRA | Relative to Average |
|-------------|-------------------------|---------------------|---------------------|
| HSA/HRA     | 153,085                 | 1.0000              | 1.0000              |
| Non-CDH     | 362,740                 | 1.0000              | 1.0000              |
|             | <b>515,825</b>          | <b>1.0000</b>       |                     |

| Full HIOS Plan ID | Base HIOS Plan ID | Plan Name                                  | Metal Level  | Relative to Bronze | Projected Member Months | Relative to Average (Pool) | Relative to Average (CSR) |
|-------------------|-------------------|--|--------------|--------------------|-------------------------|----------------------------|---------------------------|
| 86052DC040000101  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER       | 1.0300             | 11,351                  | 0.9480                     | 0.9526                    |
| 86052DC040000102  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAO | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000103  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAL | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000104  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 A   | SILVER       | 1.0300             | 948                     | 0.9480                     | 0.9526                    |
| 86052DC040000105  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 B   | SILVER       | 1.1500             | 209                     | 1.0590                     | 0.9526                    |
| 86052DC040000106  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 C   | SILVER       | 1.1500             | 323                     | 1.0590                     | 0.9526                    |
| 86052DC040000201  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD         | 1.0800             | 3,134                   | 0.9940                     | 0.9940                    |
| 86052DC040000202  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAO     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000203  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAL     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000401  | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC | 1.0000             | 9,387                   | 0.9210                     | 0.9210                    |
| 86052DC040000701  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE       | 1.0000             | 8,877                   | 0.9210                     | 0.9210                    |
| 86052DC040000702  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAO | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000703  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000801  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM     | 1.1500             | 2,451                   | 1.0590                     | 1.0590                    |
| 86052DC040000802  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAO   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040000803  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAL   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040001001  | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE       | 1.0000             | 17,689                  | 0.9210                     | 0.9210                    |
| 86052DC040001002  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAO | BRONZE       | 1.0000             | 30                      | 0.9210                     | 0.9210                    |
| 86052DC040001003  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040001101  | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD         | 1.0800             | 1,532                   | 0.9940                     | 0.9940                    |
| 86052DC040001102  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAO            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040001103  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAL            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |

## Appendix - Network Factors

| Network Type          | Proposed Products Using This Network | Description   |
|-----------------------|--------------------------------------|---|
| Lock In / Referral    | BlueChoice HMO Referral              | Referrals needed for Specialist Care, No Out of Network Coverage.   |
| Open Access           | BlueChoice HMO                       | No Referrals needed for Specialist, No Out of Network Coverage.   |
| Open Access Opt-Out   | BlueChoice Plus Opt-Out              | No Referrals needed for Specialist, Out of Network Benefits pay up to In Network allowance, Member may be balance billed.           |
| Open Access Plus      | BlueChoice Plus                      | No Referrals needed, Out of Network allowances pay up to Regional Preferred Network (RPN) allowance.                                |
| Open Access Advantage | BlueChoice Advantage                 | No Referrals needed, Out of Network allowance pay up to RPN allowance, Out of Area BlueCard considered In Network for cost-sharing. |

| Network Type          | Projected Member Months | Relative to Lock In / Referral | Relative to Average |
|-----------------------|-------------------------|--------------------------------|---------------------|
| Lock In / Referral    | 57,470                  | 1.0000                         | 0.9084              |
| Open Access           | 133,984                 | 1.0500                         | 0.9539              |
| Open Access Opt-Out   | 43,063                  | 1.0612                         | 0.9640              |
| Open Access Plus      | 65,472                  | 1.0724                         | 0.9742              |
| Open Access Advantage | 215,836                 | 1.1757                         | 1.0680              |
| <b>Total</b>          | <b>515,825</b>          | <b>1.1008</b>                  |                     |

**Factors are applied as plan level adjustments**

## Appendix - Catastrophic Plans Adjustment

### Step 1: Normalize Experience Period Catastrophic PMPM

|                          | Catastrophic    | Non-Catastrophic | Total (single risk pool) |
|--------------------------|-----------------|------------------|--------------------------|
| Member Months            | 8,314           | 47,600           | 55,914                   |
| Distribution             | 14.9%           | 85.1%            |                          |
| Completed Allowed        | \$816,637       | \$19,706,432     | \$20,523,069             |
| Allowed PMPM             | \$98.22         | \$414.00         | \$367.05                 |
| Age Rating Factor        | 0.7396          | 1.1694           | 1.1055                   |
| Induced Demand Factor    | 1.0000          | 1.0331           | 1.0282                   |
| Actuarial Value          | 1.0000          | 1.0000           | 1.0000                   |
| <b>Net Factor</b>        | <b>0.7396</b>   | <b>1.2081</b>    | <b>1.1384</b>            |
| <b>Normalized Factor</b> | <b>1.5393</b>   | <b>0.9423</b>    | <b>1.0000</b>            |
| <b>Normalized PMPM</b>   | <b>\$151.20</b> | <b>\$390.13</b>  | <b>\$367.05</b>          |

### Step 2: Apply Credibility to Normalized Catastrophic PMPM

|     |  |          |                       |
|-----|--|----------|-----------------------|
| (1) | Normalized Catastrophic PMPM             | \$151.20 |                       |
| (2) | Member Months                            | 8,314    |                       |
| (3) | Full Credibility (Member Months)         | 24,000   |                       |
| (4) | Credibility                              | 58.9%    |                       |
| (5) | Normalized Non-Catastrophic PMPM         | \$390.13 |                       |
| (6) | Morbidity Adjustment*                    | 0.5642   | (a)/(b)               |
| (7) | Morbidity-Adjusted Non-Catastrophic PMPM | \$220.11 | (5)*(6)               |
| (8) | Cred-Adjusted Catastrophic PMPM          | \$179.55 | (1)*(4)+(1 - (4))*(7) |

### Step 3: Ratio of Credibility-Normalized Catastrophic PMPM vs. Single Risk Pool

|      |                            |               |         |
|------|----------------------------|---------------|---------|
| (9)  | Normalized SRP PMPM        | \$367.05      |         |
| (10) | <b>Catastrophic Factor</b> | <b>0.4892</b> | (8)/(9) |

### Total ACA Individual Market Experience (201801-201812 Paid Through: 201902)

| Metal Level                   | Member Months    | Normalized Allowed PMPM |     |
|-------------------------------|------------------|-------------------------|-----|
| Catastrophic                  | 99,687           | \$140.87                | (a) |
| Bronze                        | 407,776          | \$137.31                |     |
| Silver                        | 691,450          | \$287.68                |     |
| Gold                          | 549,705          | \$288.97                |     |
| Platinum                      | 153,979          | \$236.29                |     |
| <b>Non-Catastrophic Total</b> | <b>1,802,910</b> | <b>\$249.68</b>         | (b) |

\*The Morbidity Adjustment is the ratio of Catastrophic Normalized Allowed PMPM to the Non-Catastrophic Normalized Allowed PMPM for our total Individual ACA Market Experience.

**Appendix - Experience Period to Rating Period Plan Mappings**

| Exp. Period            |  | Current Period         |  | Rating Period          |  |
|------------------------|--|------------------------|--|------------------------|--|
| 2018 Base HIOS Plan ID | 2018 HIOS Plan Name                        | 2019 Base HIOS Plan ID | 2019 HIOS Plan Name                        | 2020 Base HIOS Plan ID | 2020 HIOS Plan Name                        |
| 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$4,000     |
| 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         |
| 86052DC0400004         | BlueChoice HMO Young Adult \$7,350         | 86052DC0400004         | BlueChoice HMO Young Adult \$7,900         | 86052DC0400004         | BlueChoice HMO Young Adult \$8,150         |
| 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,000     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,650     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$7,250     |
| 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       |
| 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 |
| 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            |

Appendix - Annual Rate Change Based on Mapping

|           |                                |              |              |               |
|-----------|--------------------------------|--------------|--------------|---------------|
| Base Rate | Catastrophic/Avg Renewal       | 658          | 678          | -12.7%        |
| Base Rate | Bronze Members/Avg Renewal     | 2,109        | 2,020        | -9.0%         |
| Base Rate | Silver Members/Avg Renewal     | 1,151        | 1,036        | -10.8%        |
| Base Rate | Gold Members/Avg Renewal       | 478          | 405          | -9.8%         |
| Base Rate | Platinum Members/Avg Renewal   | 262          | 220          | -7.3%         |
| Base Rate | <b>All Members/Avg Renewal</b> | <b>4,658</b> | <b>4,359</b> | <b>-10.0%</b> |
| Base Rate | <b>Minimum Renewal</b>         |              |              | <b>-12.7%</b> |
| Base Rate | <b>Maximum Renewal</b>         |              |              | <b>-7.3%</b>  |

| 2019 HIOS Plan ID | 2019 HIOS Plan Name                        | 2019 Metal Level | 2019 Marketplace Indicator | 2020 HIOS Plan ID | 2020 HIOS Plan Name                        | 2020 Metal Level | 2020 Marketplace Indicator | Current Month Member Count | Projected 2019 EOY Members | 2019 Base Rate | 2020 Base Rate | Annual Rate Change |
|-------------------|--|------------------|----------------------------|-------------------|--|------------------|----------------------------|----------------------------|----------------------------|----------------|----------------|--------------------|
| 86052DC0400001    | BlueChoice HMO Standard Silver \$3,500     | SILVER           | On                         | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER           | On                         | 1,151                      | 1,036                      | \$389.65       | \$347.72       | -10.8%             |
| 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 356                        | 289                        | \$519.49       | \$466.23       | -10.3%             |
| 86052DC0400004    | BlueChoice HMO Young Adult \$7,900         | CATASTROPHIC     | On                         | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC     | On                         | 658                        | 678                        | \$161.03       | \$140.60       | -12.7%             |
| 86052DC0400007    | BlueChoice HMO Standard Bronze \$6,650     | BRONZE           | On                         | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE           | On                         | 855                        | 745                        | \$343.43       | \$308.73       | -10.1%             |
| 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 262                        | 220                        | \$594.93       | \$551.31       | -7.3%              |
| 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 1,254                      | 1,275                      | \$323.92       | \$296.99       | -8.3%              |
| 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 122                        | 116                        | \$465.29       | \$424.25       | -8.8%              |

### Appendix - Maximum Rate Renewal

|                   | 2019            | 2020            | % Change    |
|-------------------|-----------------|-----------------|-------------|
| Base Rate         | \$594.93        | \$551.31        | -7.3%       |
| Age Factor        | 0.654           | 0.727           | 11.2%       |
| Geographic Factor | 1.000           | 1.000           | 0.0%        |
| Tobacco Factor    | 1.000           | 1.000           | 0.0%        |
| <b>Total</b>      | <b>\$389.08</b> | <b>\$400.80</b> | <b>3.0%</b> |

|                      | BlueChoice HMO<br>Standard Platinum | BlueChoice HMO<br>Standard Platinum |
|----------------------|-------------------------------------|-------------------------------------|
| Base Rate/Product(s) | \$0                                 | \$0                                 |
| Age Change           | 20                                  | 21                                  |
| Geo Change*          | N/A                                 | N/A                                 |
| Tobacco Change**     | N/A                                 | N/A                                 |

\*we did not geo rate

\*\*we did not tobacco rate

Appendix - Federal Required \$1.00 minimum for abortion

| HIOS Plan ID   | Plan Name                                  | Exchange | Minimum Charge | Lowest Age Factor | Base Premium | Age Calibration | Plan Adjusted Index Rate | Admin  | Catastrophic Factor | Network Factor | Non-EHB | Induced Utilization | Benefit | Market Adjusted Index Rate | Exchange User Fee | Risk Adjustment Factor | Index Rate | \$1 Check | Final Rate, above \$1.00 |
|----------------|--|----------|----------------|-------------------|--------------|-----------------|--------------------------|--------|---------------------|----------------|---------|---------------------|---------|----------------------------|-------------------|------------------------|------------|-----------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9526              | 0.6387  | \$2.01                     | 1.0000            | 1.0046                 | \$2.00     | \$1.00    | \$2.00                   |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.8216  | \$1.49                     | 1.0000            | 1.0046                 | \$1.48     | \$0.99    | \$1.49                   |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 0.4892              | 0.9540         | 1.0000  | 0.9210              | 0.5425  | \$4.99                     | 1.0000            | 1.0046                 | \$4.97     | \$1.00    | \$4.97                   |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5862  | \$2.26                     | 1.0000            | 1.0046                 | \$2.25     | \$1.00    | \$2.25                   |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 1.0590              | 0.9124  | \$1.26                     | 1.0000            | 1.0046                 | \$1.25     | \$0.99    | \$1.26                   |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5638  | \$2.35                     | 1.0000            | 1.0046                 | \$2.34     | \$1.00    | \$2.34                   |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.7474  | \$1.64                     | 1.0000            | 1.0046                 | \$1.63     | \$1.00    | \$1.63                   |



## Appendix - Form Numbers

### Form Numbers Associated With This Filing:

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This list contains the applicable forms for the new products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

The SERFF Tracking # for the corresponding form filing On Exchange is as follows:  
CFBC-131941556

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### ON-Exchange

#### BlueChoice HMO

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

#### BlueChoice Young Adult

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

## Appendix - Experience by Service Category

| Month  | Members | Service Category   | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|--------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Inpatient Hospital | \$2,321,588      | \$0          | Admits           | 162         |
| 201602 | 44,642  | Inpatient Hospital | \$2,567,657      | \$0          | Admits           | 176         |
| 201603 | 44,852  | Inpatient Hospital | \$2,732,545      | \$0          | Admits           | 214         |
| 201604 | 44,745  | Inpatient Hospital | \$2,630,914      | \$0          | Admits           | 168         |
| 201605 | 44,584  | Inpatient Hospital | \$2,216,761      | \$0          | Admits           | 166         |
| 201606 | 44,519  | Inpatient Hospital | \$2,328,635      | \$0          | Admits           | 177         |
| 201607 | 44,235  | Inpatient Hospital | \$2,303,125      | \$0          | Admits           | 169         |
| 201608 | 43,933  | Inpatient Hospital | \$2,320,198      | \$0          | Admits           | 188         |
| 201609 | 43,584  | Inpatient Hospital | \$2,433,006      | \$0          | Admits           | 196         |
| 201610 | 43,338  | Inpatient Hospital | \$2,557,933      | \$0          | Admits           | 188         |
| 201611 | 43,046  | Inpatient Hospital | \$2,873,453      | \$0          | Admits           | 164         |
| 201612 | 42,186  | Inpatient Hospital | \$2,372,606      | \$0          | Admits           | 172         |
| 201701 | 41,362  | Inpatient Hospital | \$3,379,183      | \$0          | Admits           | 192         |
| 201702 | 40,960  | Inpatient Hospital | \$1,951,018      | \$0          | Admits           | 145         |
| 201703 | 40,733  | Inpatient Hospital | \$3,152,883      | \$0          | Admits           | 152         |
| 201704 | 40,448  | Inpatient Hospital | \$2,103,924      | \$0          | Admits           | 124         |
| 201705 | 40,383  | Inpatient Hospital | \$2,122,786      | \$0          | Admits           | 124         |
| 201706 | 40,116  | Inpatient Hospital | \$2,876,038      | \$0          | Admits           | 208         |
| 201707 | 39,855  | Inpatient Hospital | \$2,485,595      | \$0          | Admits           | 190         |
| 201708 | 39,736  | Inpatient Hospital | \$3,079,700      | \$0          | Admits           | 173         |
| 201709 | 39,764  | Inpatient Hospital | \$2,641,304      | \$0          | Admits           | 175         |
| 201710 | 39,827  | Inpatient Hospital | \$1,962,406      | \$0          | Admits           | 197         |
| 201711 | 39,597  | Inpatient Hospital | \$1,604,559      | \$0          | Admits           | 125         |
| 201712 | 39,346  | Inpatient Hospital | \$2,323,500      | \$0          | Admits           | 176         |
| 201801 | 39,818  | Inpatient Hospital | \$2,806,835      | \$0          | Admits           | 218         |
| 201802 | 39,872  | Inpatient Hospital | \$2,357,579      | \$0          | Admits           | 143         |
| 201803 | 39,866  | Inpatient Hospital | \$2,496,053      | \$0          | Admits           | 143         |
| 201804 | 39,781  | Inpatient Hospital | \$2,454,458      | \$0          | Admits           | 209         |
| 201805 | 39,765  | Inpatient Hospital | \$2,117,319      | \$0          | Admits           | 178         |
| 201806 | 40,182  | Inpatient Hospital | \$2,003,741      | \$0          | Admits           | 158         |
| 201807 | 40,386  | Inpatient Hospital | \$3,480,868      | \$0          | Admits           | 193         |
| 201808 | 40,701  | Inpatient Hospital | \$2,379,598      | \$0          | Admits           | 161         |
| 201809 | 40,326  | Inpatient Hospital | \$2,513,338      | \$0          | Admits           | 165         |
| 201810 | 40,569  | Inpatient Hospital | \$2,448,763      | \$0          | Admits           | 162         |
| 201811 | 40,509  | Inpatient Hospital | \$3,465,332      | \$0          | Admits           | 184         |
| 201812 | 41,435  | Inpatient Hospital | \$2,739,415      | \$0          | Admits           | 168         |
| 201901 | 42,431  | Inpatient Hospital | \$2,292,739      | \$0          | Admits           | 194         |
| 201902 | 42,697  | Inpatient Hospital | \$1,468,548      | \$0          | Admits           | 153         |

## Appendix - Experience by Service Category

| Month  | Members | Service Category    | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|---------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Outpatient Hospital | \$2,295,558      | \$0          | Visits           | 1,784       |
| 201602 | 44,642  | Outpatient Hospital | \$2,692,865      | \$0          | Visits           | 1,873       |
| 201603 | 44,852  | Outpatient Hospital | \$2,558,059      | \$0          | Visits           | 2,080       |
| 201604 | 44,745  | Outpatient Hospital | \$2,551,668      | \$0          | Visits           | 2,009       |
| 201605 | 44,584  | Outpatient Hospital | \$2,884,607      | \$0          | Visits           | 2,026       |
| 201606 | 44,519  | Outpatient Hospital | \$2,862,456      | \$0          | Visits           | 2,026       |
| 201607 | 44,235  | Outpatient Hospital | \$2,636,627      | \$0          | Visits           | 1,843       |
| 201608 | 43,933  | Outpatient Hospital | \$2,900,115      | \$0          | Visits           | 2,048       |
| 201609 | 43,584  | Outpatient Hospital | \$2,356,373      | \$0          | Visits           | 1,852       |
| 201610 | 43,338  | Outpatient Hospital | \$2,609,971      | \$0          | Visits           | 1,952       |
| 201611 | 43,046  | Outpatient Hospital | \$2,682,055      | \$0          | Visits           | 1,867       |
| 201612 | 42,186  | Outpatient Hospital | \$2,460,260      | \$0          | Visits           | 1,818       |
| 201701 | 41,362  | Outpatient Hospital | \$2,251,288      | \$0          | Visits           | 1,794       |
| 201702 | 40,960  | Outpatient Hospital | \$2,392,887      | \$0          | Visits           | 1,720       |
| 201703 | 40,733  | Outpatient Hospital | \$2,792,857      | \$0          | Visits           | 1,940       |
| 201704 | 40,448  | Outpatient Hospital | \$2,881,785      | \$0          | Visits           | 1,899       |
| 201705 | 40,383  | Outpatient Hospital | \$2,891,714      | \$0          | Visits           | 1,900       |
| 201706 | 40,116  | Outpatient Hospital | \$2,838,085      | \$0          | Visits           | 1,881       |
| 201707 | 39,855  | Outpatient Hospital | \$2,492,592      | \$0          | Visits           | 1,795       |
| 201708 | 39,736  | Outpatient Hospital | \$2,689,556      | \$0          | Visits           | 1,990       |
| 201709 | 39,764  | Outpatient Hospital | \$2,265,887      | \$0          | Visits           | 1,797       |
| 201710 | 39,827  | Outpatient Hospital | \$2,799,866      | \$0          | Visits           | 2,049       |
| 201711 | 39,597  | Outpatient Hospital | \$2,568,634      | \$0          | Visits           | 1,967       |
| 201712 | 39,346  | Outpatient Hospital | \$2,476,526      | \$0          | Visits           | 1,933       |
| 201801 | 39,818  | Outpatient Hospital | \$2,761,264      | \$0          | Visits           | 2,130       |
| 201802 | 39,872  | Outpatient Hospital | \$2,533,354      | \$0          | Visits           | 1,889       |
| 201803 | 39,866  | Outpatient Hospital | \$2,897,596      | \$0          | Visits           | 1,958       |
| 201804 | 39,781  | Outpatient Hospital | \$2,827,744      | \$0          | Visits           | 1,946       |
| 201805 | 39,765  | Outpatient Hospital | \$2,660,529      | \$0          | Visits           | 2,018       |
| 201806 | 40,182  | Outpatient Hospital | \$2,828,813      | \$0          | Visits           | 1,985       |
| 201807 | 40,386  | Outpatient Hospital | \$2,709,745      | \$0          | Visits           | 1,892       |
| 201808 | 40,701  | Outpatient Hospital | \$2,779,233      | \$0          | Visits           | 1,999       |
| 201809 | 40,326  | Outpatient Hospital | \$2,396,595      | \$0          | Visits           | 1,829       |
| 201810 | 40,569  | Outpatient Hospital | \$3,467,639      | \$0          | Visits           | 2,120       |
| 201811 | 40,509  | Outpatient Hospital | \$2,927,080      | \$0          | Visits           | 2,008       |
| 201812 | 41,435  | Outpatient Hospital | \$3,292,331      | \$0          | Visits           | 2,140       |
| 201901 | 42,431  | Outpatient Hospital | \$3,783,335      | \$0          | Visits           | 2,425       |
| 201902 | 42,697  | Outpatient Hospital | \$2,912,461      | \$0          | Visits           | 2,460       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Professional     | \$4,425,723      | \$0          | Visits           | 28,913      |
| 201602 | 44,642  | Professional     | \$4,719,168      | \$0          | Visits           | 31,938      |
| 201603 | 44,852  | Professional     | \$5,305,861      | \$0          | Visits           | 35,821      |
| 201604 | 44,745  | Professional     | \$4,939,434      | \$0          | Visits           | 33,378      |
| 201605 | 44,584  | Professional     | \$4,994,091      | \$0          | Visits           | 32,674      |
| 201606 | 44,519  | Professional     | \$5,230,281      | \$0          | Visits           | 33,549      |
| 201607 | 44,235  | Professional     | \$4,523,441      | \$0          | Visits           | 30,173      |
| 201608 | 43,933  | Professional     | \$5,245,862      | \$0          | Visits           | 33,944      |
| 201609 | 43,584  | Professional     | \$4,884,312      | \$0          | Visits           | 32,170      |
| 201610 | 43,338  | Professional     | \$4,859,563      | \$0          | Visits           | 33,492      |
| 201611 | 43,046  | Professional     | \$4,804,026      | \$0          | Visits           | 32,352      |
| 201612 | 42,186  | Professional     | \$4,610,788      | \$0          | Visits           | 30,630      |
| 201701 | 41,362  | Professional     | \$4,827,579      | \$0          | Visits           | 30,897      |
| 201702 | 40,960  | Professional     | \$4,549,729      | \$0          | Visits           | 29,596      |
| 201703 | 40,733  | Professional     | \$5,077,721      | \$0          | Visits           | 33,327      |
| 201704 | 40,448  | Professional     | \$4,490,134      | \$0          | Visits           | 29,117      |
| 201705 | 40,383  | Professional     | \$5,003,296      | \$0          | Visits           | 32,281      |
| 201706 | 40,116  | Professional     | \$4,973,427      | \$0          | Visits           | 31,502      |
| 201707 | 39,855  | Professional     | \$4,606,423      | \$0          | Visits           | 29,050      |
| 201708 | 39,736  | Professional     | \$5,150,369      | \$0          | Visits           | 32,636      |
| 201709 | 39,764  | Professional     | \$4,951,096      | \$0          | Visits           | 30,792      |
| 201710 | 39,827  | Professional     | \$5,291,656      | \$0          | Visits           | 34,469      |
| 201711 | 39,597  | Professional     | \$4,966,044      | \$0          | Visits           | 32,061      |
| 201712 | 39,346  | Professional     | \$4,669,811      | \$0          | Visits           | 28,975      |
| 201801 | 39,818  | Professional     | \$5,735,298      | \$0          | Visits           | 34,122      |
| 201802 | 39,872  | Professional     | \$4,962,050      | \$0          | Visits           | 31,051      |
| 201803 | 39,866  | Professional     | \$5,316,982      | \$0          | Visits           | 32,414      |
| 201804 | 39,781  | Professional     | \$5,134,744      | \$0          | Visits           | 32,111      |
| 201805 | 39,765  | Professional     | \$5,381,443      | \$0          | Visits           | 33,356      |
| 201806 | 40,182  | Professional     | \$5,453,414      | \$0          | Visits           | 32,032      |
| 201807 | 40,386  | Professional     | \$5,155,231      | \$0          | Visits           | 31,605      |
| 201808 | 40,701  | Professional     | \$5,578,213      | \$0          | Visits           | 34,565      |
| 201809 | 40,326  | Professional     | \$4,904,502      | \$0          | Visits           | 31,619      |
| 201810 | 40,569  | Professional     | \$6,053,980      | \$0          | Visits           | 39,652      |
| 201811 | 40,509  | Professional     | \$5,540,079      | \$0          | Visits           | 35,372      |
| 201812 | 41,435  | Professional     | \$5,219,341      | \$0          | Visits           | 32,949      |
| 201901 | 42,431  | Professional     | \$6,448,431      | \$0          | Visits           | 41,606      |
| 201902 | 42,697  | Professional     | \$7,782,063      | \$0          | Visits           | 50,775      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Other Medical    | \$619,982        | \$0          | Services         | 3,865       |
| 201602 | 44,642  | Other Medical    | \$717,504        | \$0          | Services         | 4,240       |
| 201603 | 44,852  | Other Medical    | \$859,390        | \$0          | Services         | 5,072       |
| 201604 | 44,745  | Other Medical    | \$722,231        | \$0          | Services         | 4,421       |
| 201605 | 44,584  | Other Medical    | \$817,737        | \$0          | Services         | 4,275       |
| 201606 | 44,519  | Other Medical    | \$841,444        | \$0          | Services         | 4,880       |
| 201607 | 44,235  | Other Medical    | \$744,364        | \$0          | Services         | 4,406       |
| 201608 | 43,933  | Other Medical    | \$755,840        | \$0          | Services         | 5,288       |
| 201609 | 43,584  | Other Medical    | \$749,511        | \$0          | Services         | 3,735       |
| 201610 | 43,338  | Other Medical    | \$696,548        | \$0          | Services         | 4,062       |
| 201611 | 43,046  | Other Medical    | \$744,134        | \$0          | Services         | 3,706       |
| 201612 | 42,186  | Other Medical    | \$853,669        | \$0          | Services         | 3,734       |
| 201701 | 41,362  | Other Medical    | \$624,521        | \$0          | Services         | 3,407       |
| 201702 | 40,960  | Other Medical    | \$797,804        | \$0          | Services         | 3,467       |
| 201703 | 40,733  | Other Medical    | \$818,480        | \$0          | Services         | 3,755       |
| 201704 | 40,448  | Other Medical    | \$736,727        | \$0          | Services         | 3,652       |
| 201705 | 40,383  | Other Medical    | \$751,800        | \$0          | Services         | 3,461       |
| 201706 | 40,116  | Other Medical    | \$753,383        | \$0          | Services         | 3,653       |
| 201707 | 39,855  | Other Medical    | \$761,707        | \$0          | Services         | 3,381       |
| 201708 | 39,736  | Other Medical    | \$827,086        | \$0          | Services         | 4,694       |
| 201709 | 39,764  | Other Medical    | \$751,076        | \$0          | Services         | 3,821       |
| 201710 | 39,827  | Other Medical    | \$890,925        | \$0          | Services         | 4,401       |
| 201711 | 39,597  | Other Medical    | \$809,479        | \$0          | Services         | 4,221       |
| 201712 | 39,346  | Other Medical    | \$809,730        | \$0          | Services         | 4,405       |
| 201801 | 39,818  | Other Medical    | \$911,275        | \$0          | Services         | 4,471       |
| 201802 | 39,872  | Other Medical    | \$811,785        | \$0          | Services         | 4,170       |
| 201803 | 39,866  | Other Medical    | \$954,920        | \$0          | Services         | 4,595       |
| 201804 | 39,781  | Other Medical    | \$875,999        | \$0          | Services         | 4,843       |
| 201805 | 39,765  | Other Medical    | \$922,637        | \$0          | Services         | 3,991       |
| 201806 | 40,182  | Other Medical    | \$1,002,856      | \$0          | Services         | 4,446       |
| 201807 | 40,386  | Other Medical    | \$960,187        | \$0          | Services         | 4,332       |
| 201808 | 40,701  | Other Medical    | \$1,080,034      | \$0          | Services         | 5,075       |
| 201809 | 40,326  | Other Medical    | \$1,084,957      | \$0          | Services         | 4,206       |
| 201810 | 40,569  | Other Medical    | \$1,086,671      | \$0          | Services         | 4,887       |
| 201811 | 40,509  | Other Medical    | \$1,124,751      | \$0          | Services         | 4,564       |
| 201812 | 41,435  | Other Medical    | \$903,300        | \$0          | Services         | 4,233       |
| 201901 | 42,431  | Other Medical    | \$1,129,983      | \$0          | Services         | 5,002       |
| 201902 | 42,697  | Other Medical    | \$1,208,764      | \$0          | Services         | 5,673       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category  | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|-------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Prescription Drug | \$3,573,818      | \$574,938    | Scripts          | 27,259      |
| 201602 | 44,642  | Prescription Drug | \$4,098,908      | \$578,275    | Scripts          | 27,763      |
| 201603 | 44,852  | Prescription Drug | \$4,689,888      | \$578,676    | Scripts          | 30,308      |
| 201604 | 44,745  | Prescription Drug | \$4,492,841      | \$636,645    | Scripts          | 28,545      |
| 201605 | 44,584  | Prescription Drug | \$4,247,146      | \$634,642    | Scripts          | 28,541      |
| 201606 | 44,519  | Prescription Drug | \$4,625,721      | \$632,429    | Scripts          | 28,832      |
| 201607 | 44,235  | Prescription Drug | \$4,115,253      | \$562,691    | Scripts          | 26,930      |
| 201608 | 43,933  | Prescription Drug | \$4,277,487      | \$559,917    | Scripts          | 28,450      |
| 201609 | 43,584  | Prescription Drug | \$4,033,482      | \$556,687    | Scripts          | 26,400      |
| 201610 | 43,338  | Prescription Drug | \$4,049,085      | \$523,644    | Scripts          | 27,078      |
| 201611 | 43,046  | Prescription Drug | \$4,044,559      | \$523,073    | Scripts          | 27,347      |
| 201612 | 42,186  | Prescription Drug | \$3,981,850      | \$516,913    | Scripts          | 27,697      |
| 201701 | 41,362  | Prescription Drug | \$3,875,247      | \$572,245    | Scripts          | 26,505      |
| 201702 | 40,960  | Prescription Drug | \$3,906,154      | \$567,557    | Scripts          | 24,799      |
| 201703 | 40,733  | Prescription Drug | \$4,530,786      | \$564,859    | Scripts          | 27,531      |
| 201704 | 40,448  | Prescription Drug | \$3,903,078      | \$620,928    | Scripts          | 25,074      |
| 201705 | 40,383  | Prescription Drug | \$4,516,391      | \$620,228    | Scripts          | 26,893      |
| 201706 | 40,116  | Prescription Drug | \$4,594,031      | \$617,982    | Scripts          | 25,791      |
| 201707 | 39,855  | Prescription Drug | \$4,119,164      | \$620,900    | Scripts          | 24,732      |
| 201708 | 39,736  | Prescription Drug | \$4,516,048      | \$619,242    | Scripts          | 25,960      |
| 201709 | 39,764  | Prescription Drug | \$4,244,062      | \$619,692    | Scripts          | 24,326      |
| 201710 | 39,827  | Prescription Drug | \$4,401,515      | \$613,390    | Scripts          | 26,140      |
| 201711 | 39,597  | Prescription Drug | \$4,258,453      | \$610,461    | Scripts          | 25,803      |
| 201712 | 39,346  | Prescription Drug | \$4,287,646      | \$606,625    | Scripts          | 25,611      |
| 201801 | 39,818  | Prescription Drug | \$4,578,309      | \$717,551    | Scripts          | 27,313      |
| 201802 | 39,872  | Prescription Drug | \$4,275,121      | \$720,015    | Scripts          | 24,423      |
| 201803 | 39,866  | Prescription Drug | \$4,627,338      | \$719,721    | Scripts          | 26,268      |
| 201804 | 39,781  | Prescription Drug | \$4,378,934      | \$729,545    | Scripts          | 25,561      |
| 201805 | 39,765  | Prescription Drug | \$4,893,774      | \$730,377    | Scripts          | 26,513      |
| 201806 | 40,182  | Prescription Drug | \$4,800,098      | \$737,707    | Scripts          | 25,861      |
| 201807 | 40,386  | Prescription Drug | \$4,643,270      | \$693,029    | Scripts          | 25,632      |
| 201808 | 40,701  | Prescription Drug | \$4,884,545      | \$698,782    | Scripts          | 26,569      |
| 201809 | 40,326  | Prescription Drug | \$4,134,671      | \$694,619    | Scripts          | 24,065      |
| 201810 | 40,569  | Prescription Drug | \$4,774,480      | \$620,751    | Scripts          | 27,425      |
| 201811 | 40,509  | Prescription Drug | \$4,593,005      | \$619,823    | Scripts          | 26,079      |
| 201812 | 41,435  | Prescription Drug | \$4,479,685      | \$634,600    | Scripts          | 26,485      |
| 201901 | 42,431  | Prescription Drug | \$4,831,335      |              | Scripts          | 27,976      |
| 201902 | 42,697  | Prescription Drug | \$4,429,106      |              | Scripts          | 26,245      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Capitations      | \$62,564         | \$0          | Benefit Period   | 44,297      |
| 201602 | 44,642  | Capitations      | \$63,387         | \$0          | Benefit Period   | 44,642      |
| 201603 | 44,852  | Capitations      | \$64,455         | \$0          | Benefit Period   | 44,852      |
| 201604 | 44,745  | Capitations      | \$64,131         | \$0          | Benefit Period   | 44,745      |
| 201605 | 44,584  | Capitations      | \$63,922         | \$0          | Benefit Period   | 44,584      |
| 201606 | 44,519  | Capitations      | \$63,605         | \$0          | Benefit Period   | 44,519      |
| 201607 | 44,235  | Capitations      | \$63,174         | \$0          | Benefit Period   | 44,235      |
| 201608 | 43,933  | Capitations      | \$62,566         | \$0          | Benefit Period   | 43,933      |
| 201609 | 43,584  | Capitations      | \$62,139         | \$0          | Benefit Period   | 43,584      |
| 201610 | 43,338  | Capitations      | \$61,668         | \$0          | Benefit Period   | 43,338      |
| 201611 | 43,046  | Capitations      | \$60,948         | \$0          | Benefit Period   | 43,046      |
| 201612 | 42,186  | Capitations      | \$59,439         | \$0          | Benefit Period   | 42,186      |
| 201701 | 41,362  | Capitations      | \$52,854         | \$0          | Benefit Period   | 41,362      |
| 201702 | 40,960  | Capitations      | \$51,779         | \$0          | Benefit Period   | 40,960      |
| 201703 | 40,733  | Capitations      | \$51,213         | \$0          | Benefit Period   | 40,733      |
| 201704 | 40,448  | Capitations      | \$50,462         | \$0          | Benefit Period   | 40,448      |
| 201705 | 40,383  | Capitations      | \$50,023         | \$0          | Benefit Period   | 40,383      |
| 201706 | 40,116  | Capitations      | \$49,428         | \$0          | Benefit Period   | 40,116      |
| 201707 | 39,855  | Capitations      | \$48,823         | \$0          | Benefit Period   | 39,855      |
| 201708 | 39,736  | Capitations      | \$48,451         | \$0          | Benefit Period   | 39,736      |
| 201709 | 39,764  | Capitations      | \$48,179         | \$0          | Benefit Period   | 39,764      |
| 201710 | 39,827  | Capitations      | \$47,915         | \$0          | Benefit Period   | 39,827      |
| 201711 | 39,597  | Capitations      | \$47,365         | \$0          | Benefit Period   | 39,597      |
| 201712 | 39,346  | Capitations      | \$46,775         | \$0          | Benefit Period   | 39,346      |
| 201801 | 39,818  | Capitations      | \$32,395         | \$0          | Benefit Period   | 39,818      |
| 201802 | 39,872  | Capitations      | \$32,238         | \$0          | Benefit Period   | 39,872      |
| 201803 | 39,866  | Capitations      | \$32,197         | \$0          | Benefit Period   | 39,866      |
| 201804 | 39,781  | Capitations      | \$31,907         | \$0          | Benefit Period   | 39,781      |
| 201805 | 39,765  | Capitations      | \$31,535         | \$0          | Benefit Period   | 39,765      |
| 201806 | 40,182  | Capitations      | \$31,641         | \$0          | Benefit Period   | 40,182      |
| 201807 | 40,386  | Capitations      | \$31,643         | \$0          | Benefit Period   | 40,386      |
| 201808 | 40,701  | Capitations      | \$31,709         | \$0          | Benefit Period   | 40,701      |
| 201809 | 40,326  | Capitations      | \$31,178         | \$0          | Benefit Period   | 40,326      |
| 201810 | 40,569  | Capitations      | \$31,079         | \$0          | Benefit Period   | 40,569      |
| 201811 | 40,509  | Capitations      | \$30,722         | \$0          | Benefit Period   | 40,509      |
| 201812 | 41,435  | Capitations      | \$31,011         | \$0          | Benefit Period   | 41,435      |
| 201901 | 42,431  | Capitations      | \$42,767         | \$0          | Benefit Period   | 42,431      |
| 201902 | 42,697  | Capitations      | \$42,880         | \$0          | Benefit Period   | 42,697      |

## Appendix - Total Experience

| Month  | Members | Contracts | Ultimate Allowed | Drug Rebates | Post-Rx Rebate Ultimate Allowed | Ultimate Incurred | Premium      | Loss Ratio |
|--------|---------|-----------|------------------|--------------|---------------------------------|-------------------|--------------|------------|
| 201601 | 44,297  | 29,097    | \$13,299,234     | \$574,938    | \$12,724,296                    | \$10,190,229      | \$17,313,359 | 58.9%      |
| 201602 | 44,642  | 29,431    | \$14,859,490     | \$578,275    | \$14,281,215                    | \$11,750,012      | \$17,242,028 | 68.1%      |
| 201603 | 44,852  | 29,682    | \$16,210,199     | \$578,676    | \$15,631,523                    | \$12,998,777      | \$17,192,928 | 75.6%      |
| 201604 | 44,745  | 29,599    | \$15,401,219     | \$636,645    | \$14,764,575                    | \$12,439,632      | \$17,129,614 | 72.6%      |
| 201605 | 44,584  | 29,441    | \$15,224,263     | \$634,642    | \$14,589,621                    | \$12,379,580      | \$16,989,924 | 72.9%      |
| 201606 | 44,519  | 29,367    | \$15,952,142     | \$632,429    | \$15,319,713                    | \$13,011,777      | \$17,000,744 | 76.5%      |
| 201607 | 44,235  | 29,147    | \$14,385,985     | \$562,691    | \$13,823,294                    | \$11,824,750      | \$16,846,726 | 70.2%      |
| 201608 | 43,933  | 28,911    | \$15,562,068     | \$559,917    | \$15,002,151                    | \$12,806,860      | \$16,671,517 | 76.8%      |
| 201609 | 43,584  | 28,613    | \$14,518,822     | \$556,687    | \$13,962,135                    | \$11,941,793      | \$16,582,020 | 72.0%      |
| 201610 | 43,338  | 28,403    | \$14,834,768     | \$523,644    | \$14,311,123                    | \$12,277,249      | \$16,437,827 | 74.7%      |
| 201611 | 43,046  | 28,180    | \$15,209,175     | \$523,073    | \$14,686,102                    | \$12,690,091      | \$16,450,494 | 77.1%      |
| 201612 | 42,186  | 27,650    | \$14,338,612     | \$516,913    | \$13,821,699                    | \$11,501,338      | \$16,134,990 | 71.3%      |
| 201701 | 41,362  | 26,983    | \$15,010,673     | \$572,245    | \$14,438,428                    | \$11,889,350      | \$16,528,153 | 71.9%      |
| 201702 | 40,960  | 26,681    | \$13,649,371     | \$567,557    | \$13,081,815                    | \$10,854,612      | \$16,373,825 | 66.3%      |
| 201703 | 40,733  | 26,498    | \$16,423,938     | \$564,859    | \$15,859,079                    | \$13,447,779      | \$16,322,528 | 82.4%      |
| 201704 | 40,448  | 26,275    | \$14,166,110     | \$620,928    | \$13,545,182                    | \$11,534,135      | \$16,283,519 | 70.8%      |
| 201705 | 40,383  | 26,205    | \$15,336,009     | \$620,228    | \$14,715,781                    | \$12,578,368      | \$16,256,857 | 77.4%      |
| 201706 | 40,116  | 25,975    | \$16,084,393     | \$617,982    | \$15,466,411                    | \$13,373,251      | \$16,224,835 | 82.4%      |
| 201707 | 39,855  | 25,733    | \$14,514,305     | \$620,900    | \$13,893,405                    | \$11,932,866      | \$16,175,145 | 73.8%      |
| 201708 | 39,736  | 25,607    | \$16,311,210     | \$619,242    | \$15,691,968                    | \$13,630,653      | \$16,172,684 | 84.3%      |
| 201709 | 39,764  | 25,542    | \$14,901,604     | \$619,692    | \$14,281,912                    | \$12,394,135      | \$16,210,400 | 76.5%      |
| 201710 | 39,827  | 25,549    | \$15,394,283     | \$613,390    | \$14,780,893                    | \$12,702,532      | \$16,279,955 | 78.0%      |
| 201711 | 39,597  | 25,409    | \$14,254,533     | \$610,461    | \$13,644,072                    | \$11,627,449      | \$16,233,195 | 71.6%      |
| 201712 | 39,346  | 25,177    | \$14,613,988     | \$606,625    | \$14,007,362                    | \$11,772,785      | \$16,391,622 | 71.8%      |
| 201801 | 39,818  | 25,624    | \$16,825,376     | \$717,551    | \$16,107,825                    | \$13,203,694      | \$16,853,982 | 78.3%      |
| 201802 | 39,872  | 25,653    | \$14,972,129     | \$720,015    | \$14,252,113                    | \$11,868,919      | \$17,138,373 | 69.3%      |
| 201803 | 39,866  | 25,659    | \$16,325,084     | \$719,721    | \$15,605,363                    | \$13,274,836      | \$17,147,843 | 77.4%      |
| 201804 | 39,781  | 25,616    | \$15,703,786     | \$729,545    | \$14,974,241                    | \$12,700,866      | \$17,162,881 | 74.0%      |
| 201805 | 39,765  | 25,544    | \$16,007,237     | \$730,377    | \$15,276,860                    | \$13,012,995      | \$17,184,119 | 75.7%      |
| 201806 | 40,182  | 25,708    | \$16,120,564     | \$737,707    | \$15,382,857                    | \$13,192,605      | \$17,518,975 | 75.3%      |
| 201807 | 40,386  | 25,747    | \$16,980,943     | \$693,029    | \$16,287,914                    | \$14,168,900      | \$17,624,109 | 80.4%      |
| 201808 | 40,701  | 25,903    | \$16,733,333     | \$698,782    | \$16,034,551                    | \$13,808,586      | \$17,793,210 | 77.6%      |
| 201809 | 40,326  | 25,672    | \$15,065,240     | \$694,619    | \$14,370,622                    | \$12,329,893      | \$17,657,556 | 69.8%      |
| 201810 | 40,569  | 25,807    | \$17,862,612     | \$620,751    | \$17,241,861                    | \$14,904,558      | \$17,837,252 | 83.6%      |
| 201811 | 40,509  | 25,772    | \$17,680,969     | \$619,823    | \$17,061,146                    | \$14,828,136      | \$17,920,010 | 82.7%      |
| 201812 | 41,435  | 26,200    | \$16,665,082     | \$634,600    | \$16,030,482                    | \$13,543,649      | \$18,439,538 | 73.4%      |
| 201901 | 42,431  | 27,057    | \$18,528,591     |              | \$18,528,591                    | \$15,321,352      | \$19,194,784 | 79.8%      |
| 201902 | 42,697  | 27,248    | \$17,843,821     |              | \$17,843,821                    | \$14,508,979      | \$19,260,383 | 75.3%      |



# CareFirst BlueCross BlueShield

## Part III Actuarial Memorandum

### 4.1 Redacted Actuarial Memorandum

CareFirst is making no redactions so both Actuarial Memorandum submissions are the same.

### 4.2 General Information Section

#### Company Identifying Information:

- **Company Legal Name:** CareFirst BlueChoice, Inc. (CFBC) - NAIC # 96202
- **State:** District of Columbia
- **HIOS Issuer ID:** 86052
- **Market:** Individual, Non-Medigap (On Exchange)
- **Effective Date:** 1/1/20 – 12/31/20
- **Company Filing Number:** 2342
- **SERFF Filing Number:** CFAP-131941478

#### Company Contact Information:

- **Primary Contact Name:** Mr. Cory Bream, ASA, MAAA
- **Primary Contact Telephone Number:** 410-998-5308
- **Primary Contact E-Mail Address:** Cory.Bream@CareFirst.com

### 4.3 Proposed Rate Changes (Individual market)

Base rates are changing 7.7% on average. The range is 4.4% to 10.9%. This filing applies to all new and renewing, in-force business in the guaranteed renewable, non-grandfathered, ACA, metaled benefit plans. The number of policyholders affected by this rate change is 3,659.

#### Reason for Rate Change(s):

The main drivers supporting the rate change are the deterioration in the base period experience of the combined pool, the re-introduction of the Health Insurer Fee in 2020, and a lower projected risk adjustment factor.

### 4.4 Market Experience (Combined Individual/Small Group market)

Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d).

#### 4.4.1 Experience and Current Period Premium, Claims, and Enrollment

The incurred period is 1/1/18 through 12/31/18, as required.

**Paid Through Date:** 2/28/19

**Current Date:** 2/28/19

**Premiums (prior to MLR rebates) in Experience Period:** \$210,277,846

**Experience Period Member Months:** 483,210

**Current Date Members:** 42,697

#### Allowed and Incurred Claims Incurred During the Experience Period

##### Allowed Claims

- **Processed through issuer's claim system:** \$188,625,834
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,940,530

#### **Incurred Claims**

- **Processed through issuer's claim system:** \$160,837,637
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,644,119

#### **Method used for determining Allowed Claims**

The allowed claims come directly from our claim records and account for capitations by applying contracted PMPM amounts directly to enrollment from the experience period. Drug rebates from the experience period are also included.

#### **Support for IBNR estimates**

Our estimates of IBNR paid claims were derived using a "chain and ladder" model based on the most recent 36 months to derive the completion factor and IBNR for each incurred month. Estimates of IBNR allowed claims were derived using the same completion factors as those estimated based on paid claims.

#### **4.4.2 Benefit Categories**

Inpatient (hospital), outpatient (hospital), professional, other medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, pediatric dental services and other), prescription drug & capitations.

#### **4.4.3 Projection Factors**

##### *4.4.3.1 Trend Factors*

#### **Trend Factors (Cost/Utilization):**

Exhibit 8 in the Memorandum contains our selected annual utilization and unit cost trends by service category. Unit cost and utilization trends were set by service category to produce the overall anticipated trend of 7.5%, which is a slight decrease compared to the 8.1% trend assumed in our prior filing. Current observed medical trends as of 201812 are 9.5%, down from 9.6% in 201712. The current observed drug trends are 7.4% as of 201812, down from 11.5% in 201712.

We note that the current drug observed trend as of 201812 is artificially depressed due to a structural formulary change effective 201801. The adjusted observed drug trend as of 201812 is 9.7%. The adjusted aggregate medical and drug trend is 9.6%.

When normalized for induced demand, network, and demographics, the composite 9.6% observed trend decreases to 6.6%.

In addition, we sought industry data to help inform our trend assumption. The table below was developed from two different industry surveys from national consultants. The medical and drug trends reported were blended using our base period experience to estimate composite trends.

| Percentile | 2019 OW Carrier Trend Report |      |      | 2019 Aon Carrier Trend Survey |      |      | Average |
|------------|------------------------------|------|------|-------------------------------|------|------|---------|
|            | HMO                          | PPO  | CDH  | HMO                           | PPO  | CDH  |         |
| 75th       | 8.2%                         | 9.5% | 9.9% | 8.8%                          | 9.2% | 9.2% | 9.1%    |
| 50th       | 7.4%                         | 7.9% | 8.3% | 8.1%                          | 7.6% | 7.8% | 7.9%    |
| 25th       | 5.3%                         | 6.6% | 6.7% | 6.5%                          | 6.1% | 6.1% | 6.2%    |

Based on this information we believe that our assumed 7.5% composite trend is well within the reasonable range of trend assumptions.

#### *4.4.3.2 Adjustments to Trended EHB Allowed Claims PMPM*

##### **Morbidity Adjustment:**

Exhibit 4 in our memorandum contains support for this adjustment. To measure the projected morbidity of our population, we split our projected population into cohorts defined by metal tier and membership type. Membership type is defined as new member, existing member, or transfer from other lines of business. Consistent with the rules in the 2020 Unified Rate Review Instructions, we began our morbidity projection by normalizing allowed claims for each of the cohorts outlined above for projected changes in age, gender, network and induced utilization.

We have not reflected any morbidity adjustments to the base period normalized allowed PMPMs by metal tier for the existing and transfer membership types. Exhibit 4 demonstrates how these PMPMs are unchanged from the current year YTD to remainder of current year. For the new membership type we have assumed a claims PMPM by metal equal to that of the existing members.

The resulting morbidity calculation is completed in steps split by year:

- Once the remainder of current year (2019) is completed, the membership and claims by metal are combined to derive a total estimate for the year.
- This result carries over to the rating year (2020) as the metal specific normalized PMPMs for the existing members.
- The assumed claims PMPMs by metal for the new members are again assumed to equal those for the existing members.
- Transfer members PMPMs are treated separately and reflect base period amounts projected forward. Our projection factor for these members is 1.000.
- Once these PMPMs are set, the final morbidity calculation is driven by the projected member months at these levels.

The total morbidity change from 2018 to 2020 is expected to be 0.6%, which is the factor used in Exhibit 1 in the calculation of the market adjustment index rate.

##### **Demographic Shift:**

Exhibit 6 in the Memorandum contains support for our adjustment due to the anticipated change in the average age of this population between the experience and projection periods. Our methodology measures the change in average demographic factor between the base and rating periods. The demographic factors used are from an internal age/gender curve with an approximate 4.5:1 ratio (age 64+ to age 21 factors). Factors for both time periods are weighted using member months and the ratio of the two is applied as our market level adjustment.

##### **Plan Design Changes:**

Exhibit 5 in the Memorandum details our support for this adjustment to account for anticipated changes in the average utilization of services due to differences in average cost sharing requirements between the experience and projection periods. Our methodology measures the change in the average induced utilization factor between the base and rating periods. The factors used are the metal level factors from the federal risk adjustment program. Once the average internal pricing AV, weighted by member months, is determined for both the experience and rating periods the linearly interpolated factor is determined. The ratio of these two factors is applied as our market level adjustment.

##### **Other Adjustments:**

Exhibit 7 in the Memorandum details our support for these adjustments. We are proposing additional other adjustments for changes to our capitation fees and drug rebates.

#### *4.4.3.3 Manual Rate Adjustments*

Not applicable, as experience was determined to be fully credible.

#### *4.4.3.4 Credibility of Experience*

Exhibit 2 in the Memorandum contains a summary of our base period experience, including member months. We have assigned full credibility to this experience.

#### *4.4.3.5 Establishing the Index Rate*

The experience period index rate for this filing is \$390.02 and the projection period index rate is \$451.52. Both rates and the adjustments made to develop the projected amount from the experience period amount can be found on Exhibit 1 of the Memorandum. Specifically, these adjustments correspond to those outlined in sections 4.4.3.1 and 4.4.3.2.

#### *4.4.3.6 Development of the Market-wide Adjusted Index Rate*

The Market-wide Adjusted Index Rate for the Individual market is \$568.39 and is derived by multiplying the projection period index rate with the market level adjustments for the risk adjustment program. Details for the risk adjustment program can be found below.

### **Reinsurance**

There are no reinsurance recoveries applicable to this market.

### **Risk Adjustment Payment/Charge:**

The Experience Period Risk Adjustment transfers in the URRT are based on the most recent Wakely results.

Our projected 2020 risk adjustment transfers, found in Exhibit 9, have been calculated consistent with our membership and morbidity projections found elsewhere in this filing. To project the risk adjustment factors from 2018 to 2020, we have assumed an increase in the statewide premium of 25.4% which reflects an estimate of an average 12.0% increase in 2019 and 12.0% increase in 2020. We have assumed that our market share will slightly drop from 79.3% in 2018 to 77.5% in 2020. We have assumed that our PLRS ratio to the state will worsen from 1.069 in 2018 to 1.080 in 2020. The resultant estimate of risk adjustment is that the BlueChoice payable transfer PMPM for the Individual market will increase from -\$45.99 in 2018 to -\$60.03 in 2020.

### **Exchange User Fees:**

There are no applicable exchange user fees since the rates in this filing are not offered on the Federal Marketplace.

#### **4.4.4 Plan Adjusted Index Rate**

Exhibit 11 in the Memorandum displays the adjustments made for each plan. Every plan adjusted index rate is developed from the market adjusted index rate using only the allowable plan level modifiers as follows:

- **Actuarial value and cost-sharing design of the plan:** The actuarial value for each plan was determined using our own internal model and estimates the ratio of paid to allowed dollars given that plan's benefit design and the assumed allowed amount consistent with the projection period

index rate. The URRT instructions state that this adjustment may "...take into account the benefit differences and *utilization differences due to differences in cost-sharing*." As a result, our plan adjusted index rates also include adjustments to account for the impact the metal level has on utilization.

- **Provider network:** All plans offered use the Open Access network.
- **Benefits in addition to EHBs:** There is an adjustment to account for abortion coverage and adult vision (which are offered in addition to EHBs).
- **Administrative costs:** See Exhibit 10A in the Memorandum for the assumed values of the following additional items.
  1. Administrative Expense (G&A)
  2. Broker Commissions & Fees
  3. Federal Income Tax (FIT)
  4. Contribution to Reserve (Post-Tax)
  5. State Premium Tax
  6. Health Insurer Fee (HIF)
  7. Risk Adjustment User Fee
  8. Exchange Assessment Fee
- **Catastrophic adjustment:** The catastrophic factor has been developed from the experience of the catastrophic population and is applied only to the catastrophic plan as required. See the Appendix in the Memorandum for more details. All other factors applied to the Market Adjusted Index Rate are the same across all plans.

For each plan, we have taken the applicable adjustment factor from each category above and multiplied them by the market adjusted index rate to derive each plan adjusted index rate.

#### 4.4.5 Calibration

##### Age Curve Calibration

We have calibrated to the rounded weighted average age which was determined as the age for the factor nearest our projected average factor. We have used the standard DC age curve factors and weighted them using member months in our calculation.

A demonstration of how the plan adjusted index rates and the age curve are used to generate the schedule of premium rates for each plan can be found on Exhibit 13.

##### Geographic Factor Calibration

We have elected not to rate for geographic region.

##### Tobacco Use Rating Factor Calibration

We have elected not to rate for tobacco usage.

#### 4.4.6 Consumer Adjusted Premium Rate Development

The premium rate that a given consumer will be charged is calculated by first taking the plan adjusted index rate for that member's chosen plan and dividing by the projected average age rating factor. The resulting value is the base rate for that plan. The final step in determining a consumer adjusted premium rate is to take the rate from the first step and multiply it by the corresponding factor for that member's age from the standard DC age curve. Rate charts are provided for all the consumer adjusted premiums.

## **4.5 Projected Loss Ratio**

The projected loss ratio for the rates provided in this file, using the Federally-prescribed MLR methodology, is 80.2% for the Individual market and 80.5% for the combined Individual/Small Group market. Details behind this calculation can be found in Exhibit 10B.

## **4.6 Plan Product Information**

### **4.6.1 AV Metal Values**

The majority of our 2020 plans include varying cost share levels for some services that depend on the setting in which care is delivered. The HHS AV calculator was used to compute two separate AVs for each impacted plan – one which applied the higher level of cost-share, and one which applied the lower level of cost-share. The results were blended assuming 81% of the designated services are rendered in higher cost-share setting and the remaining 19% at the lower, consistent with experience from our small group and individual markets. Plans without these features used the AV calculator without modification.

Additional details regarding the unique plan designs not accommodated by the HHS AV Calculator along with printouts for each plan are provided in the “Actuarial Memorandum” section of the Supporting Documentation tab of the SERFF filing.

### **4.6.2 Membership Projections**

The membership projections found in Worksheet 2 of the URRT were developed from enrollment as of 2/28/19 using assumptions for termination rates, new sales and transfers. The projections also incorporate any plan mappings anticipated between that month and the rating period. For new plan offerings where no plans are being uniformly modified into them, a minimum level of enrollment was assumed.

### **4.6.3 Plan Type**

Each plan in Worksheet 2, Section I of the URRT contains a plan type that describes the plan exactly.

## **4.7 Miscellaneous Instructions**

### **4.7.1 Effective Rate Review Information (Optional)**

We have no additional exhibits.

### **4.7.2 Reliance**

We do not have any reliance to state.

### **4.7.3 Actuarial Certification**

Included in the Memorandum.

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rate Filing # 2342  
D.C. Individual Products  
Rate Filing Effective 1/1/2020**

**Actuarial Memorandum**

**BlueChoice Inc.**  
**(NAIC # 96202)**  
**H.R. 3950 - Public Law 111-148 - Patient Protection and Affordable Care Act (ACA)**  
**D.C. Individual Products**  
**Rate Filing Effective 1/1/2020**  
**Actuarial Certification**

I, Cory Bream, am a(n) Actuarial Associate with CareFirst BlueChoice doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries (AAA) in good standing and have the education and experience necessary to perform the work. Rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the AAA's Code of Professional Conduct. While other ASOPs apply, a sample listing is below.

- i. ASOP No. 5, Incurred Health and Disability Claims
- ii. ASOP No. 8, Regulatory Filings for Health Plan Entities
- iii. ASOP No. 12, Risk Classification
- iv. ASOP No. 23, Data Quality
- v. ASOP No. 25, Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverages
- vi. ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health and Benefit Plans
- vii. ASOP No. 41, Actuarial Communications
- viii. ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance. Should new guidance be released, this filing may be revised. I certify that this filing has been prepared based on sound and commonly accepted actuarial principles, practices and assumptions in the aggregate for the legal entity.

I further certify the following:

1. The projected Index Rate is:
  - a. In compliance with all applicable state and Federal statutes and regulations (45 CFR § 156.80(d)(1) and 147.102).
  - b. Developed in compliance with the applicable Actuarial Standards of Practice.
  - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
  - d. Neither excessive nor deficient.
2. The Index Rate and only the allowable modifiers as described in 45 CFR § 156.80(d)(1) and 45 CFR § 156.80(d)(2) were used to generate plan level rates. These rates have been calibrated to account for age (geography and tobacco are not applicable).
3. Consistent with 45 CFR § 156.135, the 2020 HHS Actuarial Values (AV) Calculator was used to determine the AV metal values shown in Worksheet 2 of Part I of the Unified Rate Review Template (URRT) for all plans except those specified. Where necessary, the AVs of the benefits proposed have been calculated with minimal modifications to the AV calculator as described in the Actuarial Memorandum.

As a qualifier to the opinion, the URRT does not demonstrate the process used by the issuer to develop the rates. Rather it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Marketplaces, and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

**Cory Bream** Digitally signed by Cory Bream  
Date: 2019.05.23 17:14:31 -04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate  
CareFirst BlueCross BlueShield  
Mail Drop-Point 01-720  
10455 Mill Run Circle  
Owings Mills, MD 21117



### Exhibit 1 - Market Adjusted Index Rate Summary

|      |  | 2020      | Exhibit |
|------|--|-----------|---------|
| (1)  | Base Period Total Allowed                            | \$ 390.36 | 2       |
| (2)  | Base Period Non-EHB PMPM                             | \$ 0.34   | 2       |
| (3)  | Experience Period Index Rate                         | \$ 390.02 |         |
| (4)  | Change in Morbidity                                  | 1.0057    | 4       |
| (5)  | Additional Population Adjustment                     | 1.0000    |         |
| (6)  | Induced Demand                                       | 1.0036    | 5       |
| (7)  | Projection Period Utilization and Network Adjustment | 1.0000    |         |
| (8)  | Demographic Adjustment                               | 0.9923    | 6       |
| (9)  | Area Adjustment                                      | 1.0000    |         |
| (10) | Additional "Other" Adjustments                       | 1.0001    | 7       |
| (11) | Annualized Trend                                     | 7.5%      | 8       |
| (12) | Months of Trend                                      | 24.0      |         |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.1558    |         |
| (14) | Projection Period Index Rate                         | \$ 451.52 |         |
| (15) | Risk Adjustment Program                              | 1.2589    | 9       |
| (16) | Federal Exchange User Fee                            | 1.0000    |         |
| (17) | Market Adjusted Index Rate                           | \$ 568.39 |         |
|      | Without Risk Adjustment                              | \$ 451.52 |         |

**The projection period index rate was developed by projecting individual URRT service categories and then building up into a total PMPM. As a result the adjustments above may not match the referenced exhibits exactly because these represent the average factor when considering application at the service category level.**

## Exhibit 2 - Base Period Experience

| Service Category                       | Incurred  | Allowed            | Allowed PMPM | Utilization Description | Utilization per 1,000 | Average Cost/Service |    |           |
|--|-----------|--------------------|--------------|-------------------------|-----------------------|----------------------|----|-----------|
| Inpatient Hospital                     | \$        | 31,263,298         | \$           | 64.70                   | Admits                | 51.67                | \$ | 15,025.01 |
| Outpatient Hospital                    | \$        | 34,081,924         | \$           | 70.53                   | Visits                | 593.91               | \$ | 1,425.12  |
| Professional                           | \$        | 64,435,276         | \$           | 133.35                  | Visits                | 9,954.65             | \$ | 160.75    |
| Other Medical                          | \$        | 11,719,373         | \$           | 24.25                   | Services              | 1,336.37             | \$ | 217.78    |
| Capitation                             | \$        | 379,254            | \$           | 0.78                    | Benefit Period        | 1,000                | \$ | 9.42      |
| Prescription Drug                      | \$        | 46,746,709         | \$           | 96.74                   | Prescriptions         | 7,753.00             | \$ | 149.74    |
| <b>Total (EHB &amp; Non-EHB)</b>       | <b>\$</b> | <b>188,625,834</b> | <b>\$</b>    | <b>390.36</b>           |                       |                      |    |           |
| <b>EHB Allowed</b>                     | <b>\$</b> | <b>188,460,839</b> | <b>\$</b>    | <b>390.02</b>           |                       |                      |    |           |
| <b>Non-EHB Allowed</b>                 | <b>\$</b> | <b>164,996</b>     | <b>\$</b>    | <b>0.34</b>             |                       |                      |    |           |
| <b>Incurred Net</b>                    | <b>\$</b> | <b>160,837,637</b> | <b>\$</b>    | <b>332.85</b>           |                       |                      |    |           |
| <b>Net/Allowed</b>                     |           | <b>85.27%</b>      |              |                         |                       |                      |    |           |
| <b>Experience Period Member Months</b> |           | <b>483,210</b>     |              |                         |                       |                      |    |           |
| <b>Experience Period Revenue</b>       | <b>\$</b> | <b>210,277,846</b> |              |                         |                       |                      |    |           |

### Exhibit 3 - Non-EHB Adjustment

| HIOS Plan ID   | Plan Name                                  | Exchange | 2020 Index Rate | 2020 Non-EHB PMPM | 2020 Non-EHB Adjustment |
|----------------|--|----------|-----------------|-------------------|-------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$ 451.52       | \$ 2.73           | 1.0060                  |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$ 451.52       | \$ 2.30           | 1.0051                  |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$ 451.52       | \$ 5.21           | 1.0115                  |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$ 451.52       | \$ 2.94           | 1.0065                  |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$ 451.52       | \$ 2.11           | 1.0047                  |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$ 451.52       | \$ 3.01           | 1.0067                  |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$ 451.52       | \$ 2.43           | 1.0054                  |

Exhibit 4 - Morbidity Adjustment Factor

Base Year

| Metal Level     | Member Months  | 2018 Normalized Allowed PMPM |
|-----------------|----------------|------------------------------|
| Catastrophic    | 8,314          | \$ 80.94                     |
| Bronze          | 39,683         | \$ 131.73                    |
| Silver          | 111,862        | \$ 191.07                    |
| Gold            | 169,283        | \$ 210.46                    |
| Platinum        | 153,964        | \$ 236.35                    |
| <b>Subtotal</b> | <b>483,106</b> | <b>\$ 205.52</b>             |

Current Year YTD

| Existing        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 903           | \$ 87.07                     | 1.000                | \$ 87.07                              |
| Bronze          | 5,219         | \$ 125.51                    | 1.000                | \$ 125.51                             |
| Silver          | 15,115        | \$ 190.25                    | 1.000                | \$ 190.25                             |
| Gold            | 23,249        | \$ 205.55                    | 1.000                | \$ 205.55                             |
| Platinum        | 20,575        | \$ 238.16                    | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>65,061</b> | <b>\$ 204.24</b>             | <b>1.000</b>         | <b>\$ 204.24</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 348           | \$ 87.07   | 1.000                | \$ 87.07                              |
| Bronze          | 1,428         | \$ 125.51  | 1.000                | \$ 125.51                             |
| Silver          | 2,943         | \$ 190.25  | 1.000                | \$ 190.25                             |
| Gold            | 4,470         | \$ 205.55  | 1.000                | \$ 205.55                             |
| Platinum        | 3,507         | \$ 238.16  | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>12,696</b> | <b>\$ 198.76</b>                                 | <b>1.000</b>         | <b>\$ 198.76</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 70            | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 603           | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 1,945         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,451         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 2,207         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>7,276</b>  | <b>\$ 228.05</b>             | <b>1.000</b>         | <b>\$ 228.05</b>                      |

| Total           |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 1,321         | \$ 87.29                     | 1.000                | \$ 87.29                              |
| Bronze          | 7,250         | \$ 129.20                    | 1.000                | \$ 129.20                             |
| Silver          | 20,003        | \$ 191.07                    | 1.000                | \$ 191.07                             |
| Gold            | 30,170        | \$ 210.48                    | 1.000                | \$ 210.48                             |
| Platinum        | 26,289        | \$ 237.62                    | 1.000                | \$ 237.62                             |
| <b>Subtotal</b> | <b>85,033</b> | <b>\$ 205.46</b>             | <b>1.000</b>         | <b>\$ 205.46</b>                      |

Remainder of Current Year

| Existing        |                |                                       |
|-----------------|----------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 3,743          | \$ 87.07                              |
| Bronze          | 24,090         | \$ 125.51                             |
| Silver          | 79,441         | \$ 190.25                             |
| Gold            | 119,749        | \$ 205.55                             |
| Platinum        | 109,114        | \$ 238.16                             |
| <b>Subtotal</b> | <b>336,137</b> | <b>\$ 205.46</b>                      |

| New             |               |                                       |
|-----------------|---------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,585         | \$ 87.07                              |
| Bronze          | 8,897         | \$ 125.51                             |
| Silver          | 13,352        | \$ 190.25                             |
| Gold            | 21,812        | \$ 205.55                             |
| Platinum        | 13,638        | \$ 238.16                             |
| <b>Subtotal</b> | <b>60,284</b> | <b>\$ 192.65</b>                      |

| Transfer        |               |                                       |
|-----------------|---------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 340           | \$ 91.21                              |
| Bronze          | 2,704         | \$ 169.89                             |
| Silver          | 6,703         | \$ 198.66                             |
| Gold            | 9,174         | \$ 266.27                             |
| Platinum        | 7,246         | \$ 231.76                             |
| <b>Subtotal</b> | <b>26,167</b> | <b>\$ 227.16</b>                      |

| Total           |                |                                       |
|-----------------|----------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,668          | \$ 87.28                              |
| Bronze          | 35,691         | \$ 128.87                             |
| Silver          | 99,496         | \$ 190.82                             |
| Gold            | 150,735        | \$ 209.24                             |
| Platinum        | 129,998        | \$ 237.80                             |
| <b>Subtotal</b> | <b>422,588</b> | <b>\$ 204.98</b>                      |

Total Current Year

| Total           | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
|-----------------|----------------|---------------------------------------|
| Catastrophic    | 7,989          | \$ 87.28                              |
| Bronze          | 42,941         | \$ 128.93                             |
| Silver          | 119,499        | \$ 190.86                             |
| Gold            | 180,905        | \$ 209.45                             |
| Platinum        | 156,287        | \$ 237.77                             |
| <b>Subtotal</b> | <b>507,621</b> | <b>\$ 205.06</b>                      |

Rating Year

| Existing        |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,169          | \$ 87.28                     | 1.000                | \$ 87.28                              |
| Bronze          | 35,159         | \$ 128.93                    | 1.000                | \$ 128.93                             |
| Silver          | 104,278        | \$ 190.86                    | 1.000                | \$ 190.86                             |
| Gold            | 122,399        | \$ 209.45                    | 1.000                | \$ 209.45                             |
| Platinum        | 178,100        | \$ 237.77                    | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>446,105</b> | <b>\$ 208.38</b>             | <b>1.000</b>         | <b>\$ 208.38</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,918         | \$ 87.28   | 1.000                | \$ 87.28                              |
| Bronze          | 9,972         | \$ 128.93  | 1.000                | \$ 128.93                             |
| Silver          | 14,742        | \$ 190.86  | 1.000                | \$ 190.86                             |
| Gold            | 16,206        | \$ 209.45  | 1.000                | \$ 209.45                             |
| Platinum        | 17,038        | \$ 237.77  | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>60,876</b> | <b>\$ 193.83</b>                                 | <b>1.000</b>         | <b>\$ 193.83</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 300           | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 2,052         | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 2,724         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,028         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 1,740         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>8,844</b>  | <b>\$ 210.35</b>             | <b>1.000</b>         | <b>\$ 210.35</b>                      |

| Total           |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 9,387          | \$ 87.41                     | 1.000                | \$ 87.41                              |
| Bronze          | 47,183         | \$ 130.71                    | 1.000                | \$ 130.71                             |
| Silver          | 121,744        | \$ 191.03                    | 1.000                | \$ 191.03                             |
| Gold            | 140,633        | \$ 210.27                    | 1.000                | \$ 210.27                             |
| Platinum        | 196,878        | \$ 237.72                    | 1.000                | \$ 237.72                             |
| <b>Subtotal</b> | <b>515,825</b> | <b>\$ 206.69</b>             | <b>1.000</b>         | <b>\$ 206.69</b>                      |

| Year | Adjusted Normalized PMPM | Year over Year Change |
|------|--------------------------|-----------------------|
| 2018 | \$ 205.52                | n/a                   |
| 2019 | \$ 205.06                | -0.2%                 |
| 2020 | \$ 206.69                | 0.8%                  |

|                             |        |
|-----------------------------|--------|
| Morbidity Adjustment Change | 0.6%   |
| Morbidity Adjustment Factor | 1.0057 |

### Exhibit 5 - Induced Utilization Adjustment Factor

| Year                   | Actuarial Value | Induced Demand Factor |         |
|------------------------|-----------------|-----------------------|---------|
| (1) 2018               | 78.33%          | 1.0716                |         |
| (2) Projected 2020     | 79.10%          | 1.0755                |         |
| (3) <b>Adjustment*</b> |                 | <b>1.0036</b>         | (2)/(1) |

**\*Applied to all service categories except capitations**

### Exhibit 6 - Demographic Adjustment

|     | Period                           | Cohort     | Demo Factor*  | Weight | Average Age** |
|-----|----------------------------------|------------|---------------|--------|---------------|
| (1) | Base Period                      | All        | 1.6526        | 100.0% | 34.0          |
| (2) | Rating Period                    | Existing   | 1.6594        | 86.5%  |               |
|     |                                  | New        | 1.5005        | 11.8%  |               |
|     |                                  | Transfer   | 1.6150        | 1.7%   |               |
| (3) | Rating Period                    | All        | 1.6399        | 100.0% | 33.8          |
| (4) | <b>Demographic Adjustment***</b> | <b>All</b> | <b>0.9923</b> |        |               |

(3) / (1)

\*Demo factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*Average ages are member weighted

\*\*\*Applied to all service categories except capitations

# Exhibit 7 - Factors for Additional "Other" Adjustments

## Capitation adjustment

|  |               |         |
|--|---------------|---------|
| (1) EP Capitation PMPM                       | \$ 0.54       |         |
| (2) Projected Capitations PMPM               | \$ 0.79       |         |
| (3) <b>Adjustment to Capitation Category</b> | <b>1.4615</b> | (2)/(1) |

## Drug Rebates adjustment

|  |               |         |
|--|---------------|---------|
| (4) Experience Period Allowed Rx PMPM (Pre-Rebate) | \$ 113.95     |         |
| (5) Experience Pharmacy Rebates PMPM               | \$ 17.21      |         |
| (6) Projected Pharmacy Rebates PMPM                | \$ 15.27      |         |
| (7) Post-Rebate Rx PMPM (using Experience Rebates) | \$ 96.74      |         |
| (8) Post-Rebate Rx PMPM (using Projected Rebates)  | \$ 98.69      |         |
| (9) <b>Adjustment to Drug Category</b>             | <b>1.0201</b> | (8)/(7) |

## Formulary Adjustments

|   |               |                             |
|---|---------------|-----------------------------|
| (10) Experience Period Allowed Rx PMPM (Pre-Rebate, existing formulary) | \$ 113.95     |                             |
| (11) Ingredient cost Adjustment Factor                                  | 0.9812        |                             |
| (12) Experience Period Allowed Rx PMPM (Pre-Rebate, new formulary)      | \$ 111.81     | (10)*(11)                   |
| (13) Projection Period Pharmacy Rebates PMPM                            | \$ 15.27      |                             |
| (14) <b>Adjustment to Drug Category</b>                                 | <b>0.9783</b> | [(12) - (13)]/[(10) - (13)] |

|                     | PMPM             | Adjustment      |
|---------------------|------------------|-----------------|
| Inpatient Hospital  | \$ 72.81         | 1.0000          |
| Outpatient Hospital | \$ 77.92         | 1.0000          |
| Professional        | \$ 159.12        | 1.0000          |
| Other Medical       | \$ 31.20         | 1.0000          |
| Capitation          | \$ 0.54          | 1.4615 (3)      |
| Prescription Drug   | \$ 109.90        | 0.9980 (9)*(14) |
| <b>Total</b>        | <b>\$ 451.49</b> | <b>1.0001</b>   |

PMPM weights are set equal projected PMPM without "other" adj.

### Exhibit 8 - Annual Trend Assumptions

|                            | 2018 PMPM | Weight | Utilization/1,000 | Unit Cost | Composite     |
|----------------------------|-----------|--------|-------------------|-----------|---------------|
| <b>Inpatient Hospital</b>  | \$ 64.70  | 16.6%  | 1.0600            | 1.0000    | 1.0600        |
| <b>Outpatient Hospital</b> | \$ 70.53  | 18.1%  | 1.0400            | 1.0100    | 1.0504        |
| <b>Professional</b>        | \$ 133.35 | 34.2%  | 1.0600            | 1.0300    | 1.0918        |
| <b>Other Medical</b>       | \$ 24.25  | 6.2%   | 1.0900            | 1.0400    | 1.1336        |
| <b>Capitation</b>          | \$ 0.78   | 0.2%   | 1.0000            | 1.0000    | 1.0000        |
| <b>Prescription Drug</b>   | \$ 96.74  | 24.8%  | 1.0000            | 1.0650    | 1.0650        |
| <b>Total</b>               | \$ 390.36 | 100.0% |                   |           | 1.0748        |
| <b>Proposed Trend</b>      |           |        |                   |           | <b>1.0751</b> |



### Exhibit 9 - Risk Adjustment

#### 2018

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 8,500         | 15.0%        | 0.3039 | 0.7352 | -\$1,712     | -\$0.20   |
| Bronze        | 23,271        | 41.1%        | 0.6527 | 1.1764 | -\$3,688,344 | -\$158.49 |
| Silver        | 14,062        | 24.9%        | 1.5123 | 1.1745 | -\$55,131    | -\$3.92   |
| Gold          | 7,134         | 12.6%        | 1.7616 | 1.0794 | \$289,819    | \$40.62   |
| Platinum      | 3,601         | 6.4%         | 2.6648 | 1.0803 | \$853,646    | \$237.06  |
| Total         | 56,568        | 100.0%       | 1.0819 | 1.0913 | -\$2,601,722 | -\$45.99  |

#### Statewide 2018

#### Statewide PMPM 2018

|                             |         |  |        |        |    |        |
|-----------------------------|---------|--|--------|--------|----|--------|
| Catastrophic                | 9,196   |  | 0.3044 | 0.7349 | \$ | 97.07  |
| Individual Non-Catastrophic | 193,564 |  | 1.4362 | 1.0921 | \$ | 373.87 |

#### 2020

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 9,387         | 16.8%        | 0.2697 | 0.5970 | -\$18,719    | -\$1.99   |
| Bronze        | 26,596        | 47.6%        | 0.5615 | 1.1441 | -\$5,222,481 | -\$196.36 |
| Silver        | 12,831        | 22.9%        | 1.4061 | 1.1375 | \$368,974    | \$28.76   |
| Gold          | 4,666         | 8.3%         | 1.8198 | 1.0737 | \$669,107    | \$143.40  |
| Platinum      | 2,451         | 4.4%         | 2.4598 | 1.0523 | \$845,432    | \$344.93  |
| Total         | 55,931        | 100.0%       | 0.8945 | 1.0409 | -\$3,357,686 | -\$60.03  |

#### Statewide 2020

#### Statewide PMPM 2020

|                             |         |  |        |        |    |        |
|-----------------------------|---------|--|--------|--------|----|--------|
| Catastrophic                | 9,986   |  | 0.2741 | 0.5968 | \$ | 121.76 |
| Individual Non-Catastrophic | 183,066 |  | 1.2797 | 1.0917 | \$ | 468.98 |

#### Adjustment Factor applied to Market Adjusted Index Rate

| Projected Index Rate | Projected Transfer PMPM (Allowed basis) | Risk Adjustment User Fee | Adjustment Factor* |
|----------------------|---|--------------------------|--------------------|
| \$451.52             | -\$116.70                               | \$0.18                   | 1.2589             |

\*Adjustment Factor = (\$451.52 - \$-116.7+ \$0.18) / \$451.52

# Exhibit 10A - Desired Incurred Claims Ratio

|                                       | 2020       |              |
|---------------------------------------|------------|--------------|
|                                       | PMPM       | % of Revenue |
| Allowed Claims                        | \$ 452.66  |              |
| Paid/Allowed Ratio                    | 51.4%      |              |
| Paid Claims & Capitations             | \$ 232.87  |              |
| Risk Adjustment Transfer (Paid Basis) | \$ (60.03) |              |
| Reinsurance Recoveries (Paid Basis)   | \$ -       |              |
| Paid Claims & Capitations (Post-3Rs)  | \$ 292.90  | 76.6%        |
| Administrative Expense                | \$ 64.23   | 16.8%        |
| Broker Commissions & Fee              | \$ 2.05    | 0.5%         |
| Contribution to Reserve (Post-Tax)    | \$ 1.53    | 0.4%         |
| Investment Income Credit              | \$ (0.38)  | -0.1%        |
| Risk Charge                           | \$ -       | 0.0%         |
| <u>Non-ACA Taxes &amp; Fees</u>       |            |              |
| State Premium Tax                     | \$ 7.65    | 2.0%         |
| State Assessment Fee                  | \$ 0.38    | 0.1%         |
| Reinsurance Program Fee               | \$ -       | 0.0%         |
| State Income Tax                      | \$ -       | 0.0%         |
| Federal Income Tax                    | \$ 0.38    | 0.1%         |
| <u>ACA Taxes &amp; Fees</u>           |            |              |
| Health Insurer Tax                    | \$ 9.68    | 2.5%         |
| Risk Adjustment User Fee              | \$ 0.18    | 0.0%         |
| Exchange Assessment Fee               | \$ 3.82    | 1.0%         |
| Federal Exchange User Fee             | \$ -       | 0.0%         |
| BlueRewards/Incentive Program         | \$ -       | 0.0%         |
| Total Revenue                         | \$ 382.42  | 100.0%       |
| Plan Level Admin Load Adjustment      | 1.3048     |              |
| Projected Member Months               | 55,931     |              |
| Average Members                       | 4,661      |              |
| % Total 2020                          | 100.0%     |              |

## Exhibit 10B - Federal MLR

|  | Total 2020<br>PMPM / % |
|--|------------------------|
| <u>Traditional MLR Development</u>             |                        |
| Paid Claims & Capitations (Post-3Rs)           | \$ 292.90              |
| Total Revenue                                  | \$ 382.42              |
| <hr/>  |                        |
| Traditional MLR (i.e. DICR)                    | 76.6%                  |
| <br><u>Federal MLR Development</u>             |                        |
| Numerator Adjustments                          |                        |
| BlueRewards/Incentive Program                  | \$ -                   |
| Quality Improvement Expenses                   | \$ 1.69                |
| Removal of non-care costs under MLR guidelines | \$ (5.75)              |
| <br>Denominator Adjustments                    |                        |
| Non-ACA Taxes & Fees                           | \$ 8.41                |
| ACA Taxes & Fees                               | \$ 13.69               |
| <br>Federal MLR Numerator                      | <br>\$ 288.84          |
| Federal MLR Denominator                        | \$ 360.32              |
| <hr/>  |                        |
| Federal MLR                                    | 80.2%                  |
| <br>Projected Member Months                    | <br>55,931             |

# **Exhibit 10B - Federal MLR (Combined SG & Individual)**

|  | Total 2020<br>PMPM / % |
|--|------------------------|
| <b><u>Traditional MLR Development</u></b>      |                        |
| Paid Claims & Capitations (Post-3Rs)           | \$ 393.75              |
| Total Revenue                                  | \$ 517.66              |
| Traditional MLR (i.e. DICR)                    | 76.1%                  |
| <b><u>Federal MLR Development</u></b>          |                        |
| <b>Numerator Adjustments</b>                   |                        |
| BlueRewards/Incentive Program                  | \$ 0.35                |
| Quality Improvement Expenses                   | \$ 2.82                |
| removal of non-care costs under MLR guidelines | \$ (5.99)              |
| <b>Denominator Adjustments</b>                 |                        |
| Non-ACA Taxes & Fees                           | \$ 13.77               |
| ACA Taxes & Fees                               | \$ 18.46               |
| Federal MLR Numerator                          | \$ 390.93              |
| Federal MLR Denominator                        | \$ 485.43              |
| Federal MLR                                    | 80.5%                  |
| Projected Member Months                        | 515,825                |

**Exhibit 11 - Plan Adjusted Index Rates**

| HIOS Plan ID   | Plan Name                                  | Plan Type | Metallic Tier | Exchange | Network     | Market Adjusted Index Rate | Internal Pricing AV | Network Factor | Induced Utilization | Non-EHB | Catastrophic Adjustment | Admin  | Plan Adjusted Index Rate |
|----------------|--|-----------|---------------|----------|-------------|----------------------------|---------------------|----------------|---------------------|---------|-------------------------|--------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | HMO       | SILVER        | On       | Open Access | \$568.39                   | 0.6387              | 0.9540         | 0.9526              | 1.0060  | 1.0000                  | 1.3048 | \$433.09                 |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | HMO       | GOLD          | On       | Open Access | \$568.39                   | 0.8216              | 0.9540         | 0.9940              | 1.0051  | 1.0000                  | 1.3048 | \$580.79                 |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | HMO       | CATASTROPHIC  | On       | Open Access | \$568.39                   | 0.5425              | 0.9540         | 0.9210              | 1.0115  | 0.4892                  | 1.3048 | \$174.93                 |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | HMO       | BRONZE        | On       | Open Access | \$568.39                   | 0.5862              | 0.9540         | 0.9210              | 1.0065  | 1.0000                  | 1.3048 | \$384.49                 |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | HMO       | PLATINUM      | On       | Open Access | \$568.39                   | 0.9124              | 0.9540         | 1.0590              | 1.0047  | 1.0000                  | 1.3048 | \$686.83                 |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO       | BRONZE        | On       | Open Access | \$568.39                   | 0.5638              | 0.9540         | 0.9210              | 1.0067  | 1.0000                  | 1.3048 | \$369.86                 |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | HMO       | GOLD          | On       | Open Access | \$568.39                   | 0.7474              | 0.9540         | 0.9940              | 1.0054  | 1.0000                  | 1.3048 | \$528.49                 |

### Exhibit 12 - AV Values

| HIOS Plan ID   | Suffix | HIOS Plan Name                             | HHS AV |
|----------------|--------|--|--------|
| 86052DC0400001 | 01     | BlueChoice HMO Standard Silver \$4,000     | 0.7184 |
| 86052DC0400001 | 02     | BlueChoice HMO Standard Silver \$4,000 NAO | 1.0000 |
| 86052DC0400001 | 03     | BlueChoice HMO Standard Silver \$4,000 NAL | 0.7184 |
| 86052DC0400001 | 04     | BlueChoice HMO Standard Silver \$4,000 A   | 0.7391 |
| 86052DC0400001 | 05     | BlueChoice HMO Standard Silver \$4,000 B   | 0.8774 |
| 86052DC0400001 | 06     | BlueChoice HMO Standard Silver \$4,000 C   | 0.9395 |
| 86052DC0400002 | 01     | BlueChoice HMO Standard Gold \$500         | 0.8194 |
| 86052DC0400002 | 02     | BlueChoice HMO Standard Gold \$500 NAO     | 1.0000 |
| 86052DC0400002 | 03     | BlueChoice HMO Standard Gold \$500 NAL     | 0.8194 |
| 86052DC0400004 | 01     | BlueChoice HMO Young Adult \$8,150         | 0.6179 |
| 86052DC0400007 | 01     | BlueChoice HMO Standard Bronze \$7,250     | 0.6485 |
| 86052DC0400007 | 02     | BlueChoice HMO Standard Bronze \$7,250 NAO | 1.0000 |
| 86052DC0400007 | 03     | BlueChoice HMO Standard Bronze \$7,250 NAL | 0.6485 |
| 86052DC0400008 | 01     | BlueChoice HMO Standard Platinum \$0       | 0.8959 |
| 86052DC0400008 | 02     | BlueChoice HMO Standard Platinum \$0 NAO   | 1.0000 |
| 86052DC0400008 | 03     | BlueChoice HMO Standard Platinum \$0 NAL   | 0.8959 |
| 86052DC0400010 | 01     | BlueChoice HMO HSA Standard Bronze \$6,200 | 0.6313 |
| 86052DC0400010 | 02     | BlueChoice HMO Standard Bronze \$6,200 NAO | 1.0000 |
| 86052DC0400010 | 03     | BlueChoice HMO Standard Bronze \$6,200 NAL | 0.6313 |
| 86052DC0400011 | 01     | BlueChoice HMO HSA Gold \$1,500            | 0.7905 |
| 86052DC0400011 | 02     | BlueChoice HMO Gold \$1,500 NAO            | 1.0000 |
| 86052DC0400011 | 03     | BlueChoice HMO Gold \$1,500 NAL            | 0.7905 |

### Exhibit 13 - Age Calibration

| Age Curve Calibration |                 |          |                |        |               |
|-----------------------|-----------------|----------|----------------|--------|---------------|
|                       | Period          | Cohort   | Rating Factor* | Weight | Average Age** |
| (1)                   | Rating Period   | Existing | 1.0502         | 86.5%  |               |
|                       |                 | New      | 0.9751         | 11.8%  |               |
|                       |                 | Transfer | 1.0296         | 1.7%   |               |
| (2)                   | Rating Period   | All      | 1.0410         | 100.0% | 41.7          |
| (3)                   | Nearest Rounded | All      | 1.0530         |        | 42.0          |
| (4)                   | Calibration***  | All      | 1.0115         |        |               |

(3)/(2)

| Premium Rate Demonstration |  |  |                  |
|----------------------------|--|--|------------------|
|                            | HIOS Plan Name                                       | BlueChoice HMO Standard Silver \$4,000 |                  |
| (5)                        | Plan Adjusted Index Rate                             |  | \$433.09         |
| (6)                        | Calibration  |  | 1.0115 (4)       |
| (7)                        | Calibrated Rate                                      |  | \$438.09 (5)*(6) |
| (8)                        | Age 40 Factor/Rounded Avg Age Factor = (0.975/1.053) |  | 0.9259           |
| (9)                        | Age 40 Premium Rate                                  |  | \$405.64 (7)*(8) |

\*Rating factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*The rating period average age is determined from the member weighted average factor. Specifically it is linearly interpolated using the two age factors on the curve surrounding the member weighted average factor.

\*\*\*Applied uniformly to all plans

## Exhibit 14 - Age Factors

| Age  | Factor |
|------|--------|
| <=14 | 0.654  |
| 15   | 0.654  |
| 16   | 0.654  |
| 17   | 0.654  |
| 18   | 0.654  |
| 19   | 0.654  |
| 20   | 0.654  |
| 21   | 0.727  |
| 22   | 0.727  |
| 23   | 0.727  |
| 24   | 0.727  |
| 25   | 0.727  |
| 26   | 0.727  |
| 27   | 0.727  |
| 28   | 0.744  |
| 29   | 0.760  |
| 30   | 0.779  |
| 31   | 0.799  |
| 32   | 0.817  |
| 33   | 0.836  |
| 34   | 0.856  |
| 35   | 0.876  |
| 36   | 0.896  |
| 37   | 0.916  |
| 38   | 0.927  |
| 39   | 0.938  |
| 40   | 0.975  |
| 41   | 1.013  |
| 42   | 1.053  |
| 43   | 1.094  |
| 44   | 1.137  |
| 45   | 1.181  |
| 46   | 1.227  |
| 47   | 1.275  |
| 48   | 1.325  |
| 49   | 1.377  |
| 50   | 1.431  |
| 51   | 1.487  |
| 52   | 1.545  |
| 53   | 1.605  |
| 54   | 1.668  |
| 55   | 1.733  |
| 56   | 1.801  |
| 57   | 1.871  |
| 58   | 1.944  |
| 59   | 2.020  |
| 60   | 2.099  |
| 61   | 2.181  |
| 62   | 2.181  |
| 63   | 2.181  |
| 64+  | 2.181  |



**Exhibit 15 - Induced Utilization Factors**

| CDH/Non-CDH | Projected Member Months | Relative to HSA/HRA | Relative to Average |
|-------------|-------------------------|---------------------|---------------------|
| HSA/HRA     | 153,085                 | 1.0000              | 1.0000              |
| Non-CDH     | 362,740                 | 1.0000              | 1.0000              |
|             | <b>515,825</b>          | <b>1.0000</b>       |                     |

| Full HIOS Plan ID | Base HIOS Plan ID | Plan Name                                  | Metal Level  | Relative to Bronze | Projected Member Months | Relative to Average (Pool) | Relative to Average (CSR) |
|-------------------|-------------------|--|--------------|--------------------|-------------------------|----------------------------|---------------------------|
| 86052DC040000101  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER       | 1.0300             | 11,351                  | 0.9480                     | 0.9526                    |
| 86052DC040000102  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAO | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000103  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAL | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000104  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 A   | SILVER       | 1.0300             | 948                     | 0.9480                     | 0.9526                    |
| 86052DC040000105  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 B   | SILVER       | 1.1500             | 209                     | 1.0590                     | 0.9526                    |
| 86052DC040000106  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 C   | SILVER       | 1.1500             | 323                     | 1.0590                     | 0.9526                    |
| 86052DC040000201  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD         | 1.0800             | 3,134                   | 0.9940                     | 0.9940                    |
| 86052DC040000202  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAO     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000203  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAL     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000401  | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC | 1.0000             | 9,387                   | 0.9210                     | 0.9210                    |
| 86052DC040000701  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE       | 1.0000             | 8,877                   | 0.9210                     | 0.9210                    |
| 86052DC040000702  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAO | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000703  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000801  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM     | 1.1500             | 2,451                   | 1.0590                     | 1.0590                    |
| 86052DC040000802  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAO   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040000803  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAL   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040001001  | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE       | 1.0000             | 17,689                  | 0.9210                     | 0.9210                    |
| 86052DC040001002  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAO | BRONZE       | 1.0000             | 30                      | 0.9210                     | 0.9210                    |
| 86052DC040001003  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040001101  | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD         | 1.0800             | 1,532                   | 0.9940                     | 0.9940                    |
| 86052DC040001102  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAO            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040001103  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAL            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |

## Appendix - Network Factors

| Network Type          | Proposed Products Using This Network | Description   |
|-----------------------|--------------------------------------|---|
| Lock In / Referral    | BlueChoice HMO Referral              | Referrals needed for Specialist Care, No Out of Network Coverage.   |
| Open Access           | BlueChoice HMO                       | No Referrals needed for Specialist, No Out of Network Coverage.   |
| Open Access Opt-Out   | BlueChoice Plus Opt-Out              | No Referrals needed for Specialist, Out of Network Benefits pay up to In Network allowance, Member may be balance billed.           |
| Open Access Plus      | BlueChoice Plus                      | No Referrals needed, Out of Network allowances pay up to Regional Preferred Network (RPN) allowance.                                |
| Open Access Advantage | BlueChoice Advantage                 | No Referrals needed, Out of Network allowance pay up to RPN allowance, Out of Area BlueCard considered In Network for cost-sharing. |

| Network Type          | Projected Member Months | Relative to Lock In / Referral | Relative to Average |
|-----------------------|-------------------------|--------------------------------|---------------------|
| Lock In / Referral    | 57,470                  | 1.0000                         | 0.9084              |
| Open Access           | 133,984                 | 1.0500                         | 0.9539              |
| Open Access Opt-Out   | 43,063                  | 1.0612                         | 0.9640              |
| Open Access Plus      | 65,472                  | 1.0724                         | 0.9742              |
| Open Access Advantage | 215,836                 | 1.1757                         | 1.0680              |
| <b>Total</b>          | <b>515,825</b>          | <b>1.1008</b>                  |                     |

Factors are applied as plan level adjustments

## Appendix - Catastrophic Plans Adjustment

### Step 1: Normalize Experience Period Catastrophic PMPM

|                          | Catastrophic    | Non-Catastrophic | Total (single risk pool) |
|--------------------------|-----------------|------------------|--------------------------|
| Member Months            | 8,314           | 47,600           | 55,914                   |
| Distribution             | 14.9%           | 85.1%            |                          |
| Completed Allowed        | \$816,637       | \$19,706,432     | \$20,523,069             |
| Allowed PMPM             | \$98.22         | \$414.00         | \$367.05                 |
| Age Rating Factor        | 0.7396          | 1.1694           | 1.1055                   |
| Induced Demand Factor    | 1.0000          | 1.0331           | 1.0282                   |
| Actuarial Value          | 1.0000          | 1.0000           | 1.0000                   |
| <b>Net Factor</b>        | <b>0.7396</b>   | <b>1.2081</b>    | <b>1.1384</b>            |
| <b>Normalized Factor</b> | <b>1.5393</b>   | <b>0.9423</b>    | <b>1.0000</b>            |
| <b>Normalized PMPM</b>   | <b>\$151.20</b> | <b>\$390.13</b>  | <b>\$367.05</b>          |

### Step 2: Apply Credibility to Normalized Catastrophic PMPM

|     |  |          |                       |
|-----|--|----------|-----------------------|
| (1) | Normalized Catastrophic PMPM             | \$151.20 |                       |
| (2) | Member Months                            | 8,314    |                       |
| (3) | Full Credibility (Member Months)         | 24,000   |                       |
| (4) | Credibility                              | 58.9%    |                       |
| (5) | Normalized Non-Catastrophic PMPM         | \$390.13 |                       |
| (6) | Morbidity Adjustment*                    | 0.5642   | (a)/(b)               |
| (7) | Morbidity-Adjusted Non-Catastrophic PMPM | \$220.11 | (5)*(6)               |
| (8) | Cred-Adjusted Catastrophic PMPM          | \$179.55 | (1)*(4)+(1 - (4))*(7) |

### Step 3: Ratio of Credibility-Normalized Catastrophic PMPM vs. Single Risk Pool

|      |                            |               |         |
|------|----------------------------|---------------|---------|
| (9)  | Normalized SRP PMPM        | \$367.05      |         |
| (10) | <b>Catastrophic Factor</b> | <b>0.4892</b> | (8)/(9) |

### Total ACA Individual Market Experience (201801-201812 Paid Through: 201902)

| Metal Level                   | Member Months    | Normalized Allowed PMPM |     |
|-------------------------------|------------------|-------------------------|-----|
| Catastrophic                  | 99,687           | \$140.87                | (a) |
| Bronze                        | 407,776          | \$137.31                |     |
| Silver                        | 691,450          | \$287.68                |     |
| Gold                          | 549,705          | \$288.97                |     |
| Platinum                      | 153,979          | \$236.29                |     |
| <b>Non-Catastrophic Total</b> | <b>1,802,910</b> | <b>\$249.68</b>         | (b) |

\*The Morbidity Adjustment is the ratio of Catastrophic Normalized Allowed PMPM to the Non-Catastrophic Normalized Allowed PMPM for our total Individual ACA Market Experience.

**Appendix - Experience Period to Rating Period Plan Mappings**

| Exp. Period            |  | Current Period         |  | Rating Period          |  |
|------------------------|--|------------------------|--|------------------------|--|
| 2018 Base HIOS Plan ID | 2018 HIOS Plan Name                        | 2019 Base HIOS Plan ID | 2019 HIOS Plan Name                        | 2020 Base HIOS Plan ID | 2020 HIOS Plan Name                        |
| 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$4,000     |
| 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         |
| 86052DC0400004         | BlueChoice HMO Young Adult \$7,350         | 86052DC0400004         | BlueChoice HMO Young Adult \$7,900         | 86052DC0400004         | BlueChoice HMO Young Adult \$8,150         |
| 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,000     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,650     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$7,250     |
| 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       |
| 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 |
| 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            |

Appendix - Annual Rate Change Based on Mapping

|           |                                |              |              |              |
|-----------|--------------------------------|--------------|--------------|--------------|
| Base Rate | Catastrophic/Avg Renewal       | 658          | 678          | 4.4%         |
| Base Rate | Bronze Members/Avg Renewal     | 2,109        | 2,020        | 8.9%         |
| Base Rate | Silver Members/Avg Renewal     | 1,151        | 1,036        | 6.8%         |
| Base Rate | Gold Members/Avg Renewal       | 478          | 405          | 7.9%         |
| Base Rate | Platinum Members/Avg Renewal   | 262          | 220          | 10.9%        |
| Base Rate | <b>All Members/Avg Renewal</b> | <b>4,658</b> | <b>4,359</b> | <b>7.7%</b>  |
| Base Rate | <b>Minimum Renewal</b>         |              |              | <b>4.4%</b>  |
| Base Rate | <b>Maximum Renewal</b>         |              |              | <b>10.9%</b> |

| 2019 HIOS Plan ID | 2019 HIOS Plan Name                        | 2019 Metal Level | 2019 Marketplace Indicator | 2020 HIOS Plan ID | 2020 HIOS Plan Name                        | 2020 Metal Level | 2020 Marketplace Indicator | Current Month Member Count | Projected 2019 EOY Members | 2019 Base Rate | 2020 Base Rate | Annual Rate Change |
|-------------------|--|------------------|----------------------------|-------------------|--|------------------|----------------------------|----------------------------|----------------------------|----------------|----------------|--------------------|
| 86052DC0400001    | BlueChoice HMO Standard Silver \$3,500     | SILVER           | On                         | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER           | On                         | 1,151                      | 1,036                      | \$389.65       | \$416.04       | 6.8%               |
| 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 356                        | 289                        | \$519.49       | \$557.93       | 7.4%               |
| 86052DC0400004    | BlueChoice HMO Young Adult \$7,900         | CATASTROPHIC     | On                         | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC     | On                         | 658                        | 678                        | \$161.03       | \$168.04       | 4.4%               |
| 86052DC0400007    | BlueChoice HMO Standard Bronze \$6,650     | BRONZE           | On                         | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE           | On                         | 855                        | 745                        | \$343.43       | \$369.35       | 7.5%               |
| 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 262                        | 220                        | \$594.93       | \$659.80       | 10.9%              |
| 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 1,254                      | 1,275                      | \$323.92       | \$355.30       | 9.7%               |
| 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 122                        | 116                        | \$465.29       | \$507.69       | 9.1%               |

### Appendix - Maximum Rate Renewal

|                   | 2019            | 2020            | % Change     |
|-------------------|-----------------|-----------------|--------------|
| Base Rate         | \$594.93        | \$659.80        | 10.9%        |
| Age Factor        | 0.654           | 0.727           | 11.2%        |
| Geographic Factor | 1.000           | 1.000           | 0.0%         |
| Tobacco Factor    | 1.000           | 1.000           | 0.0%         |
| <b>Total</b>      | <b>\$389.08</b> | <b>\$479.67</b> | <b>23.3%</b> |

|                      | BlueChoice HMO<br>Standard Platinum | BlueChoice HMO<br>Standard Platinum |
|----------------------|-------------------------------------|-------------------------------------|
| Base Rate/Product(s) | \$0                                 | \$0                                 |
| Age Change           | 20                                  | 21                                  |
| Geo Change*          | N/A                                 | N/A                                 |
| Tobacco Change**     | N/A                                 | N/A                                 |

\*we did not geo rate

\*\*we did not tobacco rate

Appendix - Federal Required \$1.00 minimum for abortion

| HIOS Plan ID   | Plan Name                                  | Exchange | Minimum Charge | Lowest Age Factor | Base Premium | Age Calibration | Plan Adjusted Index Rate | Admin  | Catastrophic Factor | Network Factor | Non-EHB | Induced Utilization | Benefit | Market Adjusted Index Rate | Exchange User Fee | Risk Adjustment Factor | Index Rate | \$1 Check | Final Rate, above \$1.00 |
|----------------|--|----------|----------------|-------------------|--------------|-----------------|--------------------------|--------|---------------------|----------------|---------|---------------------|---------|----------------------------|-------------------|------------------------|------------|-----------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9526              | 0.6387  | \$2.10                     | 1.0000            | 1.2589                 | \$1.67     | \$1.00    | \$1.67                   |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.8216  | \$1.56                     | 1.0000            | 1.2589                 | \$1.24     | \$1.00    | \$1.24                   |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 0.4892              | 0.9540         | 1.0000  | 0.9210              | 0.5425  | \$5.23                     | 1.0000            | 1.2589                 | \$4.15     | \$1.00    | \$4.15                   |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5862  | \$2.37                     | 1.0000            | 1.2589                 | \$1.88     | \$1.00    | \$1.88                   |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 1.0590              | 0.9124  | \$1.32                     | 1.0000            | 1.2589                 | \$1.05     | \$1.00    | \$1.05                   |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5638  | \$2.46                     | 1.0000            | 1.2589                 | \$1.95     | \$1.00    | \$1.95                   |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3048 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.7474  | \$1.72                     | 1.0000            | 1.2589                 | \$1.37     | \$1.00    | \$1.37                   |

## Appendix - Form Numbers

### Form Numbers Associated With This Filing:

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This list contains the applicable forms for the new products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

The SERFF Tracking # for the corresponding form filing On Exchange is as follows:

CFBC-131941556

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### ON-Exchange

#### BlueChoice HMO

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

#### BlueChoice Young Adult

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)



## Appendix - Experience by Service Category

| Month  | Members | Service Category   | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|--------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Inpatient Hospital | \$2,321,588      | \$0          | Admits           | 162         |
| 201602 | 44,642  | Inpatient Hospital | \$2,567,657      | \$0          | Admits           | 176         |
| 201603 | 44,852  | Inpatient Hospital | \$2,732,545      | \$0          | Admits           | 214         |
| 201604 | 44,745  | Inpatient Hospital | \$2,630,914      | \$0          | Admits           | 168         |
| 201605 | 44,584  | Inpatient Hospital | \$2,216,761      | \$0          | Admits           | 166         |
| 201606 | 44,519  | Inpatient Hospital | \$2,328,635      | \$0          | Admits           | 177         |
| 201607 | 44,235  | Inpatient Hospital | \$2,303,125      | \$0          | Admits           | 169         |
| 201608 | 43,933  | Inpatient Hospital | \$2,320,198      | \$0          | Admits           | 188         |
| 201609 | 43,584  | Inpatient Hospital | \$2,433,006      | \$0          | Admits           | 196         |
| 201610 | 43,338  | Inpatient Hospital | \$2,557,933      | \$0          | Admits           | 188         |
| 201611 | 43,046  | Inpatient Hospital | \$2,873,453      | \$0          | Admits           | 164         |
| 201612 | 42,186  | Inpatient Hospital | \$2,372,606      | \$0          | Admits           | 172         |
| 201701 | 41,362  | Inpatient Hospital | \$3,379,183      | \$0          | Admits           | 192         |
| 201702 | 40,960  | Inpatient Hospital | \$1,951,018      | \$0          | Admits           | 145         |
| 201703 | 40,733  | Inpatient Hospital | \$3,152,883      | \$0          | Admits           | 152         |
| 201704 | 40,448  | Inpatient Hospital | \$2,103,924      | \$0          | Admits           | 124         |
| 201705 | 40,383  | Inpatient Hospital | \$2,122,786      | \$0          | Admits           | 124         |
| 201706 | 40,116  | Inpatient Hospital | \$2,876,038      | \$0          | Admits           | 208         |
| 201707 | 39,855  | Inpatient Hospital | \$2,485,595      | \$0          | Admits           | 190         |
| 201708 | 39,736  | Inpatient Hospital | \$3,079,700      | \$0          | Admits           | 173         |
| 201709 | 39,764  | Inpatient Hospital | \$2,641,304      | \$0          | Admits           | 175         |
| 201710 | 39,827  | Inpatient Hospital | \$1,962,406      | \$0          | Admits           | 197         |
| 201711 | 39,597  | Inpatient Hospital | \$1,604,559      | \$0          | Admits           | 125         |
| 201712 | 39,346  | Inpatient Hospital | \$2,323,500      | \$0          | Admits           | 176         |
| 201801 | 39,818  | Inpatient Hospital | \$2,806,835      | \$0          | Admits           | 218         |
| 201802 | 39,872  | Inpatient Hospital | \$2,357,579      | \$0          | Admits           | 143         |
| 201803 | 39,866  | Inpatient Hospital | \$2,496,053      | \$0          | Admits           | 143         |
| 201804 | 39,781  | Inpatient Hospital | \$2,454,458      | \$0          | Admits           | 209         |
| 201805 | 39,765  | Inpatient Hospital | \$2,117,319      | \$0          | Admits           | 178         |
| 201806 | 40,182  | Inpatient Hospital | \$2,003,741      | \$0          | Admits           | 158         |
| 201807 | 40,386  | Inpatient Hospital | \$3,480,868      | \$0          | Admits           | 193         |
| 201808 | 40,701  | Inpatient Hospital | \$2,379,598      | \$0          | Admits           | 161         |
| 201809 | 40,326  | Inpatient Hospital | \$2,513,338      | \$0          | Admits           | 165         |
| 201810 | 40,569  | Inpatient Hospital | \$2,448,763      | \$0          | Admits           | 162         |
| 201811 | 40,509  | Inpatient Hospital | \$3,465,332      | \$0          | Admits           | 184         |
| 201812 | 41,435  | Inpatient Hospital | \$2,739,415      | \$0          | Admits           | 168         |
| 201901 | 42,431  | Inpatient Hospital | \$2,292,739      | \$0          | Admits           | 194         |
| 201902 | 42,697  | Inpatient Hospital | \$1,468,548      | \$0          | Admits           | 153         |

## Appendix - Experience by Service Category

| Month  | Members | Service Category    | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|---------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Outpatient Hospital | \$2,295,558      | \$0          | Visits           | 1,784       |
| 201602 | 44,642  | Outpatient Hospital | \$2,692,865      | \$0          | Visits           | 1,873       |
| 201603 | 44,852  | Outpatient Hospital | \$2,558,059      | \$0          | Visits           | 2,080       |
| 201604 | 44,745  | Outpatient Hospital | \$2,551,668      | \$0          | Visits           | 2,009       |
| 201605 | 44,584  | Outpatient Hospital | \$2,884,607      | \$0          | Visits           | 2,026       |
| 201606 | 44,519  | Outpatient Hospital | \$2,862,456      | \$0          | Visits           | 2,026       |
| 201607 | 44,235  | Outpatient Hospital | \$2,636,627      | \$0          | Visits           | 1,843       |
| 201608 | 43,933  | Outpatient Hospital | \$2,900,115      | \$0          | Visits           | 2,048       |
| 201609 | 43,584  | Outpatient Hospital | \$2,356,373      | \$0          | Visits           | 1,852       |
| 201610 | 43,338  | Outpatient Hospital | \$2,609,971      | \$0          | Visits           | 1,952       |
| 201611 | 43,046  | Outpatient Hospital | \$2,682,055      | \$0          | Visits           | 1,867       |
| 201612 | 42,186  | Outpatient Hospital | \$2,460,260      | \$0          | Visits           | 1,818       |
| 201701 | 41,362  | Outpatient Hospital | \$2,251,288      | \$0          | Visits           | 1,794       |
| 201702 | 40,960  | Outpatient Hospital | \$2,392,887      | \$0          | Visits           | 1,720       |
| 201703 | 40,733  | Outpatient Hospital | \$2,792,857      | \$0          | Visits           | 1,940       |
| 201704 | 40,448  | Outpatient Hospital | \$2,881,785      | \$0          | Visits           | 1,899       |
| 201705 | 40,383  | Outpatient Hospital | \$2,891,714      | \$0          | Visits           | 1,900       |
| 201706 | 40,116  | Outpatient Hospital | \$2,838,085      | \$0          | Visits           | 1,881       |
| 201707 | 39,855  | Outpatient Hospital | \$2,492,592      | \$0          | Visits           | 1,795       |
| 201708 | 39,736  | Outpatient Hospital | \$2,689,556      | \$0          | Visits           | 1,990       |
| 201709 | 39,764  | Outpatient Hospital | \$2,265,887      | \$0          | Visits           | 1,797       |
| 201710 | 39,827  | Outpatient Hospital | \$2,799,866      | \$0          | Visits           | 2,049       |
| 201711 | 39,597  | Outpatient Hospital | \$2,568,634      | \$0          | Visits           | 1,967       |
| 201712 | 39,346  | Outpatient Hospital | \$2,476,526      | \$0          | Visits           | 1,933       |
| 201801 | 39,818  | Outpatient Hospital | \$2,761,264      | \$0          | Visits           | 2,130       |
| 201802 | 39,872  | Outpatient Hospital | \$2,533,354      | \$0          | Visits           | 1,889       |
| 201803 | 39,866  | Outpatient Hospital | \$2,897,596      | \$0          | Visits           | 1,958       |
| 201804 | 39,781  | Outpatient Hospital | \$2,827,744      | \$0          | Visits           | 1,946       |
| 201805 | 39,765  | Outpatient Hospital | \$2,660,529      | \$0          | Visits           | 2,018       |
| 201806 | 40,182  | Outpatient Hospital | \$2,828,813      | \$0          | Visits           | 1,985       |
| 201807 | 40,386  | Outpatient Hospital | \$2,709,745      | \$0          | Visits           | 1,892       |
| 201808 | 40,701  | Outpatient Hospital | \$2,779,233      | \$0          | Visits           | 1,999       |
| 201809 | 40,326  | Outpatient Hospital | \$2,396,595      | \$0          | Visits           | 1,829       |
| 201810 | 40,569  | Outpatient Hospital | \$3,467,639      | \$0          | Visits           | 2,120       |
| 201811 | 40,509  | Outpatient Hospital | \$2,927,080      | \$0          | Visits           | 2,008       |
| 201812 | 41,435  | Outpatient Hospital | \$3,292,331      | \$0          | Visits           | 2,140       |
| 201901 | 42,431  | Outpatient Hospital | \$3,783,335      | \$0          | Visits           | 2,425       |
| 201902 | 42,697  | Outpatient Hospital | \$2,912,461      | \$0          | Visits           | 2,460       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Professional     | \$4,425,723      | \$0          | Visits           | 28,913      |
| 201602 | 44,642  | Professional     | \$4,719,168      | \$0          | Visits           | 31,938      |
| 201603 | 44,852  | Professional     | \$5,305,861      | \$0          | Visits           | 35,821      |
| 201604 | 44,745  | Professional     | \$4,939,434      | \$0          | Visits           | 33,378      |
| 201605 | 44,584  | Professional     | \$4,994,091      | \$0          | Visits           | 32,674      |
| 201606 | 44,519  | Professional     | \$5,230,281      | \$0          | Visits           | 33,549      |
| 201607 | 44,235  | Professional     | \$4,523,441      | \$0          | Visits           | 30,173      |
| 201608 | 43,933  | Professional     | \$5,245,862      | \$0          | Visits           | 33,944      |
| 201609 | 43,584  | Professional     | \$4,884,312      | \$0          | Visits           | 32,170      |
| 201610 | 43,338  | Professional     | \$4,859,563      | \$0          | Visits           | 33,492      |
| 201611 | 43,046  | Professional     | \$4,804,026      | \$0          | Visits           | 32,352      |
| 201612 | 42,186  | Professional     | \$4,610,788      | \$0          | Visits           | 30,630      |
| 201701 | 41,362  | Professional     | \$4,827,579      | \$0          | Visits           | 30,897      |
| 201702 | 40,960  | Professional     | \$4,549,729      | \$0          | Visits           | 29,596      |
| 201703 | 40,733  | Professional     | \$5,077,721      | \$0          | Visits           | 33,327      |
| 201704 | 40,448  | Professional     | \$4,490,134      | \$0          | Visits           | 29,117      |
| 201705 | 40,383  | Professional     | \$5,003,296      | \$0          | Visits           | 32,281      |
| 201706 | 40,116  | Professional     | \$4,973,427      | \$0          | Visits           | 31,502      |
| 201707 | 39,855  | Professional     | \$4,606,423      | \$0          | Visits           | 29,050      |
| 201708 | 39,736  | Professional     | \$5,150,369      | \$0          | Visits           | 32,636      |
| 201709 | 39,764  | Professional     | \$4,951,096      | \$0          | Visits           | 30,792      |
| 201710 | 39,827  | Professional     | \$5,291,656      | \$0          | Visits           | 34,469      |
| 201711 | 39,597  | Professional     | \$4,966,044      | \$0          | Visits           | 32,061      |
| 201712 | 39,346  | Professional     | \$4,669,811      | \$0          | Visits           | 28,975      |
| 201801 | 39,818  | Professional     | \$5,735,298      | \$0          | Visits           | 34,122      |
| 201802 | 39,872  | Professional     | \$4,962,050      | \$0          | Visits           | 31,051      |
| 201803 | 39,866  | Professional     | \$5,316,982      | \$0          | Visits           | 32,414      |
| 201804 | 39,781  | Professional     | \$5,134,744      | \$0          | Visits           | 32,111      |
| 201805 | 39,765  | Professional     | \$5,381,443      | \$0          | Visits           | 33,356      |
| 201806 | 40,182  | Professional     | \$5,453,414      | \$0          | Visits           | 32,032      |
| 201807 | 40,386  | Professional     | \$5,155,231      | \$0          | Visits           | 31,605      |
| 201808 | 40,701  | Professional     | \$5,578,213      | \$0          | Visits           | 34,565      |
| 201809 | 40,326  | Professional     | \$4,904,502      | \$0          | Visits           | 31,619      |
| 201810 | 40,569  | Professional     | \$6,053,980      | \$0          | Visits           | 39,652      |
| 201811 | 40,509  | Professional     | \$5,540,079      | \$0          | Visits           | 35,372      |
| 201812 | 41,435  | Professional     | \$5,219,341      | \$0          | Visits           | 32,949      |
| 201901 | 42,431  | Professional     | \$6,448,431      | \$0          | Visits           | 41,606      |
| 201902 | 42,697  | Professional     | \$7,782,063      | \$0          | Visits           | 50,775      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Other Medical    | \$619,982        | \$0          | Services         | 3,865       |
| 201602 | 44,642  | Other Medical    | \$717,504        | \$0          | Services         | 4,240       |
| 201603 | 44,852  | Other Medical    | \$859,390        | \$0          | Services         | 5,072       |
| 201604 | 44,745  | Other Medical    | \$722,231        | \$0          | Services         | 4,421       |
| 201605 | 44,584  | Other Medical    | \$817,737        | \$0          | Services         | 4,275       |
| 201606 | 44,519  | Other Medical    | \$841,444        | \$0          | Services         | 4,880       |
| 201607 | 44,235  | Other Medical    | \$744,364        | \$0          | Services         | 4,406       |
| 201608 | 43,933  | Other Medical    | \$755,840        | \$0          | Services         | 5,288       |
| 201609 | 43,584  | Other Medical    | \$749,511        | \$0          | Services         | 3,735       |
| 201610 | 43,338  | Other Medical    | \$696,548        | \$0          | Services         | 4,062       |
| 201611 | 43,046  | Other Medical    | \$744,134        | \$0          | Services         | 3,706       |
| 201612 | 42,186  | Other Medical    | \$853,669        | \$0          | Services         | 3,734       |
| 201701 | 41,362  | Other Medical    | \$624,521        | \$0          | Services         | 3,407       |
| 201702 | 40,960  | Other Medical    | \$797,804        | \$0          | Services         | 3,467       |
| 201703 | 40,733  | Other Medical    | \$818,480        | \$0          | Services         | 3,755       |
| 201704 | 40,448  | Other Medical    | \$736,727        | \$0          | Services         | 3,652       |
| 201705 | 40,383  | Other Medical    | \$751,800        | \$0          | Services         | 3,461       |
| 201706 | 40,116  | Other Medical    | \$753,383        | \$0          | Services         | 3,653       |
| 201707 | 39,855  | Other Medical    | \$761,707        | \$0          | Services         | 3,381       |
| 201708 | 39,736  | Other Medical    | \$827,086        | \$0          | Services         | 4,694       |
| 201709 | 39,764  | Other Medical    | \$751,076        | \$0          | Services         | 3,821       |
| 201710 | 39,827  | Other Medical    | \$890,925        | \$0          | Services         | 4,401       |
| 201711 | 39,597  | Other Medical    | \$809,479        | \$0          | Services         | 4,221       |
| 201712 | 39,346  | Other Medical    | \$809,730        | \$0          | Services         | 4,405       |
| 201801 | 39,818  | Other Medical    | \$911,275        | \$0          | Services         | 4,471       |
| 201802 | 39,872  | Other Medical    | \$811,785        | \$0          | Services         | 4,170       |
| 201803 | 39,866  | Other Medical    | \$954,920        | \$0          | Services         | 4,595       |
| 201804 | 39,781  | Other Medical    | \$875,999        | \$0          | Services         | 4,843       |
| 201805 | 39,765  | Other Medical    | \$922,637        | \$0          | Services         | 3,991       |
| 201806 | 40,182  | Other Medical    | \$1,002,856      | \$0          | Services         | 4,446       |
| 201807 | 40,386  | Other Medical    | \$960,187        | \$0          | Services         | 4,332       |
| 201808 | 40,701  | Other Medical    | \$1,080,034      | \$0          | Services         | 5,075       |
| 201809 | 40,326  | Other Medical    | \$1,084,957      | \$0          | Services         | 4,206       |
| 201810 | 40,569  | Other Medical    | \$1,086,671      | \$0          | Services         | 4,887       |
| 201811 | 40,509  | Other Medical    | \$1,124,751      | \$0          | Services         | 4,564       |
| 201812 | 41,435  | Other Medical    | \$903,300        | \$0          | Services         | 4,233       |
| 201901 | 42,431  | Other Medical    | \$1,129,983      | \$0          | Services         | 5,002       |
| 201902 | 42,697  | Other Medical    | \$1,208,764      | \$0          | Services         | 5,673       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category  | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|-------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Prescription Drug | \$3,573,818      | \$574,938    | Scripts          | 27,259      |
| 201602 | 44,642  | Prescription Drug | \$4,098,908      | \$578,275    | Scripts          | 27,763      |
| 201603 | 44,852  | Prescription Drug | \$4,689,888      | \$578,676    | Scripts          | 30,308      |
| 201604 | 44,745  | Prescription Drug | \$4,492,841      | \$636,645    | Scripts          | 28,545      |
| 201605 | 44,584  | Prescription Drug | \$4,247,146      | \$634,642    | Scripts          | 28,541      |
| 201606 | 44,519  | Prescription Drug | \$4,625,721      | \$632,429    | Scripts          | 28,832      |
| 201607 | 44,235  | Prescription Drug | \$4,115,253      | \$562,691    | Scripts          | 26,930      |
| 201608 | 43,933  | Prescription Drug | \$4,277,487      | \$559,917    | Scripts          | 28,450      |
| 201609 | 43,584  | Prescription Drug | \$4,033,482      | \$556,687    | Scripts          | 26,400      |
| 201610 | 43,338  | Prescription Drug | \$4,049,085      | \$523,644    | Scripts          | 27,078      |
| 201611 | 43,046  | Prescription Drug | \$4,044,559      | \$523,073    | Scripts          | 27,347      |
| 201612 | 42,186  | Prescription Drug | \$3,981,850      | \$516,913    | Scripts          | 27,697      |
| 201701 | 41,362  | Prescription Drug | \$3,875,247      | \$572,245    | Scripts          | 26,505      |
| 201702 | 40,960  | Prescription Drug | \$3,906,154      | \$567,557    | Scripts          | 24,799      |
| 201703 | 40,733  | Prescription Drug | \$4,530,786      | \$564,859    | Scripts          | 27,531      |
| 201704 | 40,448  | Prescription Drug | \$3,903,078      | \$620,928    | Scripts          | 25,074      |
| 201705 | 40,383  | Prescription Drug | \$4,516,391      | \$620,228    | Scripts          | 26,893      |
| 201706 | 40,116  | Prescription Drug | \$4,594,031      | \$617,982    | Scripts          | 25,791      |
| 201707 | 39,855  | Prescription Drug | \$4,119,164      | \$620,900    | Scripts          | 24,732      |
| 201708 | 39,736  | Prescription Drug | \$4,516,048      | \$619,242    | Scripts          | 25,960      |
| 201709 | 39,764  | Prescription Drug | \$4,244,062      | \$619,692    | Scripts          | 24,326      |
| 201710 | 39,827  | Prescription Drug | \$4,401,515      | \$613,390    | Scripts          | 26,140      |
| 201711 | 39,597  | Prescription Drug | \$4,258,453      | \$610,461    | Scripts          | 25,803      |
| 201712 | 39,346  | Prescription Drug | \$4,287,646      | \$606,625    | Scripts          | 25,611      |
| 201801 | 39,818  | Prescription Drug | \$4,578,309      | \$717,551    | Scripts          | 27,313      |
| 201802 | 39,872  | Prescription Drug | \$4,275,121      | \$720,015    | Scripts          | 24,423      |
| 201803 | 39,866  | Prescription Drug | \$4,627,338      | \$719,721    | Scripts          | 26,268      |
| 201804 | 39,781  | Prescription Drug | \$4,378,934      | \$729,545    | Scripts          | 25,561      |
| 201805 | 39,765  | Prescription Drug | \$4,893,774      | \$730,377    | Scripts          | 26,513      |
| 201806 | 40,182  | Prescription Drug | \$4,800,098      | \$737,707    | Scripts          | 25,861      |
| 201807 | 40,386  | Prescription Drug | \$4,643,270      | \$693,029    | Scripts          | 25,632      |
| 201808 | 40,701  | Prescription Drug | \$4,884,545      | \$698,782    | Scripts          | 26,569      |
| 201809 | 40,326  | Prescription Drug | \$4,134,671      | \$694,619    | Scripts          | 24,065      |
| 201810 | 40,569  | Prescription Drug | \$4,774,480      | \$620,751    | Scripts          | 27,425      |
| 201811 | 40,509  | Prescription Drug | \$4,593,005      | \$619,823    | Scripts          | 26,079      |
| 201812 | 41,435  | Prescription Drug | \$4,479,685      | \$634,600    | Scripts          | 26,485      |
| 201901 | 42,431  | Prescription Drug | \$4,831,335      |              | Scripts          | 27,976      |
| 201902 | 42,697  | Prescription Drug | \$4,429,106      |              | Scripts          | 26,245      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Capitations      | \$62,564         | \$0          | Benefit Period   | 44,297      |
| 201602 | 44,642  | Capitations      | \$63,387         | \$0          | Benefit Period   | 44,642      |
| 201603 | 44,852  | Capitations      | \$64,455         | \$0          | Benefit Period   | 44,852      |
| 201604 | 44,745  | Capitations      | \$64,131         | \$0          | Benefit Period   | 44,745      |
| 201605 | 44,584  | Capitations      | \$63,922         | \$0          | Benefit Period   | 44,584      |
| 201606 | 44,519  | Capitations      | \$63,605         | \$0          | Benefit Period   | 44,519      |
| 201607 | 44,235  | Capitations      | \$63,174         | \$0          | Benefit Period   | 44,235      |
| 201608 | 43,933  | Capitations      | \$62,566         | \$0          | Benefit Period   | 43,933      |
| 201609 | 43,584  | Capitations      | \$62,139         | \$0          | Benefit Period   | 43,584      |
| 201610 | 43,338  | Capitations      | \$61,668         | \$0          | Benefit Period   | 43,338      |
| 201611 | 43,046  | Capitations      | \$60,948         | \$0          | Benefit Period   | 43,046      |
| 201612 | 42,186  | Capitations      | \$59,439         | \$0          | Benefit Period   | 42,186      |
| 201701 | 41,362  | Capitations      | \$52,854         | \$0          | Benefit Period   | 41,362      |
| 201702 | 40,960  | Capitations      | \$51,779         | \$0          | Benefit Period   | 40,960      |
| 201703 | 40,733  | Capitations      | \$51,213         | \$0          | Benefit Period   | 40,733      |
| 201704 | 40,448  | Capitations      | \$50,462         | \$0          | Benefit Period   | 40,448      |
| 201705 | 40,383  | Capitations      | \$50,023         | \$0          | Benefit Period   | 40,383      |
| 201706 | 40,116  | Capitations      | \$49,428         | \$0          | Benefit Period   | 40,116      |
| 201707 | 39,855  | Capitations      | \$48,823         | \$0          | Benefit Period   | 39,855      |
| 201708 | 39,736  | Capitations      | \$48,451         | \$0          | Benefit Period   | 39,736      |
| 201709 | 39,764  | Capitations      | \$48,179         | \$0          | Benefit Period   | 39,764      |
| 201710 | 39,827  | Capitations      | \$47,915         | \$0          | Benefit Period   | 39,827      |
| 201711 | 39,597  | Capitations      | \$47,365         | \$0          | Benefit Period   | 39,597      |
| 201712 | 39,346  | Capitations      | \$46,775         | \$0          | Benefit Period   | 39,346      |
| 201801 | 39,818  | Capitations      | \$32,395         | \$0          | Benefit Period   | 39,818      |
| 201802 | 39,872  | Capitations      | \$32,238         | \$0          | Benefit Period   | 39,872      |
| 201803 | 39,866  | Capitations      | \$32,197         | \$0          | Benefit Period   | 39,866      |
| 201804 | 39,781  | Capitations      | \$31,907         | \$0          | Benefit Period   | 39,781      |
| 201805 | 39,765  | Capitations      | \$31,535         | \$0          | Benefit Period   | 39,765      |
| 201806 | 40,182  | Capitations      | \$31,641         | \$0          | Benefit Period   | 40,182      |
| 201807 | 40,386  | Capitations      | \$31,643         | \$0          | Benefit Period   | 40,386      |
| 201808 | 40,701  | Capitations      | \$31,709         | \$0          | Benefit Period   | 40,701      |
| 201809 | 40,326  | Capitations      | \$31,178         | \$0          | Benefit Period   | 40,326      |
| 201810 | 40,569  | Capitations      | \$31,079         | \$0          | Benefit Period   | 40,569      |
| 201811 | 40,509  | Capitations      | \$30,722         | \$0          | Benefit Period   | 40,509      |
| 201812 | 41,435  | Capitations      | \$31,011         | \$0          | Benefit Period   | 41,435      |
| 201901 | 42,431  | Capitations      | \$42,767         | \$0          | Benefit Period   | 42,431      |
| 201902 | 42,697  | Capitations      | \$42,880         | \$0          | Benefit Period   | 42,697      |

### Appendix - Total Experience

| Month  | Members | Contracts | Ultimate Allowed | Drug Rebates | Post-Rx Rebate Ultimate Allowed | Ultimate Incurred | Premium      | Loss Ratio |
|--------|---------|-----------|------------------|--------------|---------------------------------|-------------------|--------------|------------|
| 201601 | 44,297  | 29,097    | \$13,299,234     | \$574,938    | \$12,724,296                    | \$10,190,229      | \$17,313,359 | 58.9%      |
| 201602 | 44,642  | 29,431    | \$14,859,490     | \$578,275    | \$14,281,215                    | \$11,750,012      | \$17,242,028 | 68.1%      |
| 201603 | 44,852  | 29,682    | \$16,210,199     | \$578,676    | \$15,631,523                    | \$12,998,777      | \$17,192,928 | 75.6%      |
| 201604 | 44,745  | 29,599    | \$15,401,219     | \$636,645    | \$14,764,575                    | \$12,439,632      | \$17,129,614 | 72.6%      |
| 201605 | 44,584  | 29,441    | \$15,224,263     | \$634,642    | \$14,589,621                    | \$12,379,580      | \$16,989,924 | 72.9%      |
| 201606 | 44,519  | 29,367    | \$15,952,142     | \$632,429    | \$15,319,713                    | \$13,011,777      | \$17,000,744 | 76.5%      |
| 201607 | 44,235  | 29,147    | \$14,385,985     | \$562,691    | \$13,823,294                    | \$11,824,750      | \$16,846,726 | 70.2%      |
| 201608 | 43,933  | 28,911    | \$15,562,068     | \$559,917    | \$15,002,151                    | \$12,806,860      | \$16,671,517 | 76.8%      |
| 201609 | 43,584  | 28,613    | \$14,518,822     | \$556,687    | \$13,962,135                    | \$11,941,793      | \$16,582,020 | 72.0%      |
| 201610 | 43,338  | 28,403    | \$14,834,768     | \$523,644    | \$14,311,123                    | \$12,277,249      | \$16,437,827 | 74.7%      |
| 201611 | 43,046  | 28,180    | \$15,209,175     | \$523,073    | \$14,686,102                    | \$12,690,091      | \$16,450,494 | 77.1%      |
| 201612 | 42,186  | 27,650    | \$14,338,612     | \$516,913    | \$13,821,699                    | \$11,501,338      | \$16,134,990 | 71.3%      |
| 201701 | 41,362  | 26,983    | \$15,010,673     | \$572,245    | \$14,438,428                    | \$11,889,350      | \$16,528,153 | 71.9%      |
| 201702 | 40,960  | 26,681    | \$13,649,371     | \$567,557    | \$13,081,815                    | \$10,854,612      | \$16,373,825 | 66.3%      |
| 201703 | 40,733  | 26,498    | \$16,423,938     | \$564,859    | \$15,859,079                    | \$13,447,779      | \$16,322,528 | 82.4%      |
| 201704 | 40,448  | 26,275    | \$14,166,110     | \$620,928    | \$13,545,182                    | \$11,534,135      | \$16,283,519 | 70.8%      |
| 201705 | 40,383  | 26,205    | \$15,336,009     | \$620,228    | \$14,715,781                    | \$12,578,368      | \$16,256,857 | 77.4%      |
| 201706 | 40,116  | 25,975    | \$16,084,393     | \$617,982    | \$15,466,411                    | \$13,373,251      | \$16,224,835 | 82.4%      |
| 201707 | 39,855  | 25,733    | \$14,514,305     | \$620,900    | \$13,893,405                    | \$11,932,866      | \$16,175,145 | 73.8%      |
| 201708 | 39,736  | 25,607    | \$16,311,210     | \$619,242    | \$15,691,968                    | \$13,630,653      | \$16,172,684 | 84.3%      |
| 201709 | 39,764  | 25,542    | \$14,901,604     | \$619,692    | \$14,281,912                    | \$12,394,135      | \$16,210,400 | 76.5%      |
| 201710 | 39,827  | 25,549    | \$15,394,283     | \$613,390    | \$14,780,893                    | \$12,702,532      | \$16,279,955 | 78.0%      |
| 201711 | 39,597  | 25,409    | \$14,254,533     | \$610,461    | \$13,644,072                    | \$11,627,449      | \$16,233,195 | 71.6%      |
| 201712 | 39,346  | 25,177    | \$14,613,988     | \$606,625    | \$14,007,362                    | \$11,772,785      | \$16,391,622 | 71.8%      |
| 201801 | 39,818  | 25,624    | \$16,825,376     | \$717,551    | \$16,107,825                    | \$13,203,694      | \$16,853,982 | 78.3%      |
| 201802 | 39,872  | 25,653    | \$14,972,129     | \$720,015    | \$14,252,113                    | \$11,868,919      | \$17,138,373 | 69.3%      |
| 201803 | 39,866  | 25,659    | \$16,325,084     | \$719,721    | \$15,605,363                    | \$13,274,836      | \$17,147,843 | 77.4%      |
| 201804 | 39,781  | 25,616    | \$15,703,786     | \$729,545    | \$14,974,241                    | \$12,700,866      | \$17,162,881 | 74.0%      |
| 201805 | 39,765  | 25,544    | \$16,007,237     | \$730,377    | \$15,276,860                    | \$13,012,995      | \$17,184,119 | 75.7%      |
| 201806 | 40,182  | 25,708    | \$16,120,564     | \$737,707    | \$15,382,857                    | \$13,192,605      | \$17,518,975 | 75.3%      |
| 201807 | 40,386  | 25,747    | \$16,980,943     | \$693,029    | \$16,287,914                    | \$14,168,900      | \$17,624,109 | 80.4%      |
| 201808 | 40,701  | 25,903    | \$16,733,333     | \$698,782    | \$16,034,551                    | \$13,808,586      | \$17,793,210 | 77.6%      |
| 201809 | 40,326  | 25,672    | \$15,065,240     | \$694,619    | \$14,370,622                    | \$12,329,893      | \$17,657,556 | 69.8%      |
| 201810 | 40,569  | 25,807    | \$17,862,612     | \$620,751    | \$17,241,861                    | \$14,904,558      | \$17,837,252 | 83.6%      |
| 201811 | 40,509  | 25,772    | \$17,680,969     | \$619,823    | \$17,061,146                    | \$14,828,136      | \$17,920,010 | 82.7%      |
| 201812 | 41,435  | 26,200    | \$16,665,082     | \$634,600    | \$16,030,482                    | \$13,543,649      | \$18,439,538 | 73.4%      |
| 201901 | 42,431  | 27,057    | \$18,528,591     |              | \$18,528,591                    | \$15,321,352      | \$19,194,784 | 79.8%      |
| 201902 | 42,697  | 27,248    | \$17,843,821     |              | \$17,843,821                    | \$14,508,979      | \$19,260,383 | 75.3%      |

**DC BlueChoice Small Group & Individual Combined (Individual)**  
**Exhibit 1 - Market Adjusted Index Rate Summary**

|      |  | <b>2020</b> | <b>2019</b> | <b>% Change</b> |
|------|--|-------------|-------------|-----------------|
| (1)  | Base Period Total Allowed                            | \$390.36    | \$358.89    | 8.8%            |
| (2)  | Base Period Non-EHB PMPM                             | \$0.34      | \$2.07      | -83.5%          |
| (3)  | Experience Period Index Rate                         | \$390.02    | \$356.82    | 9.3%            |
| (4)  | Change in Morbidity                                  | 1.006       | 0.988       | 1.8%            |
| (5)  | Additional Population Adjustment                     | 1.000       | 1.000       | 0.0%            |
| (6)  | Induced Demand                                       | 1.0036      | 1.004       | 0.0%            |
| (7)  | Projection Period Utilization and Network Adjustment | 1.000       | 1.000       | 0.0%            |
| (8)  | Demographic Adjustment                               | 0.992       | 0.989       | 0.4%            |
| (9)  | Area Adjustment                                      | 1.000       | 1.000       | 0.0%            |
| (10) | Additional "Other" Adjustments                       | 1.000       | 1.002       | -0.2%           |
| (11) | Annualized Trend                                     | 7.5%        | 8.1%        |                 |
| (12) | Months of Trend                                      | 24          | 24.0        |                 |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.156       | 1.168       | -1.0%           |
| (14) | Projection Period Index Rate                         | \$451.52    | \$409.38    | 10.3%           |
| (15) | Risk Adjustment Program                              | 1.259       | 1.342       | -6.2%           |
| (16) | Federal Exchange User Fee                            | 1.000       | 1.000       | 0.0%            |
| (17) | Market Adjusted Index Rate                           | \$568.39    | \$549.34    | 3.5%            |
|      | Without Risk Adjustment                              | \$451.52    | \$409.38    | 10.3%           |



2020 DC Individual BlueChoice  
Plan Adjusted Index Rate Changes

| Index |  | HIOS Plan ID    | Plan Name                                  | Type | Metallic Tier | On/Off | 12/2019<br>Projected<br>Members | Market Adjusted Index Rate |          |        | Benefits |       |        | Network |       |        | Induced Utilization |       |        | HSA Factor |       |        | Non-EHB |       |        | Catastrophic Adjustment |       |        | Admin |       |        | Age Calibration |       |        | Total Change |          |        |
|-------|--|-----------------|--|------|---------------|--------|---------------------------------|----------------------------|----------|--------|----------|-------|--------|---------|-------|--------|---------------------|-------|--------|------------|-------|--------|---------|-------|--------|-------------------------|-------|--------|-------|-------|--------|-----------------|-------|--------|--------------|----------|--------|
|       |  |                 |  |      |               |        |                                 | 2020                       | 2019     | Change | 2020     | 2019  | Change | 2020    | 2019  | Change | 2020                | 2019  | Change | 2020       | 2019  | Change | 2020    | 2019  | Change | 2020                    | 2019  | Change | 2020  | 2019  | Change | 2020            | 2019  | Change | 2020         | 2019     | Change |
|       |  |                 |  |      |               |        |                                 |                            |          |        |          |       |        |         |       |        |                     |       |        |            |       |        |         |       |        |                         |       |        |       |       |        |                 |       |        |              |          |        |
| 1     |  | 86052DC0400001  | BlueChoice HMO Standard Silver \$4,000     | HMO  | SILVER        | On     | 1,036                           | \$568.39                   | \$549.34 | 3.47%  | 0.639    | 0.647 | -1.27% | 0.954   | 0.958 | -0.42% | 0.953               | 0.953 | -0.01% | 1.000      | 1.000 | 0.00%  | 1.006   | 1.007 | -0.05% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$416.04     | \$389.65 | 6.77%  |
| 2     |  | 86052DC0400002  | BlueChoice HMO Standard Gold \$500         | HMO  | GOLD          | On     | 289                             | \$568.39                   | \$549.34 | 3.47%  | 0.822    | 0.826 | -0.51% | 0.954   | 0.958 | -0.42% | 0.994               | 0.996 | -0.20% | 1.000      | 1.000 | 0.00%  | 1.005   | 1.006 | -0.04% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$557.93     | \$519.49 | 7.40%  |
| 3     |  | 86052DC0400004  | BlueChoice HMO Young Adult \$8,150         | HMO  | CATASTROPHIC  | On     | 678                             | \$568.39                   | \$549.34 | 3.47%  | 0.542    | 0.541 | 0.34%  | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.012   | 1.012 | -0.06% | 0.489                   | 0.508 | -3.73% | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$168.04     | \$161.03 | 4.35%  |
| 4     |  | 86052DC0400007  | BlueChoice HMO Standard Bronze \$7,250     | HMO  | BRONZE        | On     | 745                             | \$568.39                   | \$549.34 | 3.47%  | 0.586    | 0.589 | -0.45% | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.007   | 1.007 | -0.06% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$369.35     | \$343.43 | 7.55%  |
| 5     |  | 86052DC0400008  | BlueChoice HMO Standard Platinum \$0       | HMO  | PLATINUM      | On     | 220                             | \$568.39                   | \$549.34 | 3.47%  | 0.912    | 0.913 | -0.10% | 0.954   | 0.958 | -0.42% | 1.059               | 1.060 | -0.09% | 1.000      | 1.000 | 0.00%  | 1.005   | 1.005 | -0.04% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.199 | 8.79%  | 0.961           | 0.969 | -0.83% | \$659.80     | \$594.93 | 10.90% |
| 6     |  | 86052DC04000010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO  | BRONZE        | On     | 1,275                           | \$568.39                   | \$549.34 | 3.47%  | 0.564    | 0.555 | 1.54%  | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.007   | 1.007 | -0.07% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$355.30     | \$323.92 | 9.69%  |
| 7     |  | 86052DC04000011 | BlueChoice HMO HSA Gold \$1,500            | HMO  | GOLD          | On     | 116                             | \$568.39                   | \$549.34 | 3.47%  | 0.747    | 0.739 | 1.09%  | 0.954   | 0.958 | -0.42% | 0.994               | 0.996 | -0.20% | 1.000      | 1.000 | 0.00%  | 1.005   | 1.006 | -0.05% | 1.000                   | 1.000 | 0.00%  | 1.305 | 1.232 | 5.90%  | 0.961           | 0.969 | -0.83% | \$507.69     | \$465.29 | 9.11%  |
| 4,359 |  |                 |  |      |               |        |                                 | \$568.39                   | \$549.34 | 3.47%  | 0.622    | 0.621 | 0.12%  | 0.954   | 0.958 | -0.42% | 0.942               | 0.943 | -0.09% | 1.00       | 1.00  | 0.00%  | 1.007   | 1.008 | -0.06% | 0.921                   | 0.923 | -0.58% | 1.305 | 1.231 | 6.04%  | 0.961           | 0.969 | -0.83% | \$375.87     | \$347.95 | 7.7%   |

Key Drivers:

- 1.) Deterioration in the base period experience of the combined pool.
- 2.) Re-introduction of the Health Insurer Fee in 2020.
- 3.) Lower projected risk adjustment factor.

**DC BlueChoice Small Group & Individual Combined (Individual)**  
**Exhibit 1 - Market Adjusted Index Rate Summary**

|      |  | <b>2020</b> | <b>2019</b> | <b>% Change</b> |
|------|--|-------------|-------------|-----------------|
| (1)  | Base Period Total Allowed                            | \$390.36    | \$358.89    | 8.8%            |
| (2)  | Base Period Non-EHB PMPM                             | \$0.34      | \$2.07      | -83.5%          |
| (3)  | Experience Period Index Rate                         | \$390.02    | \$356.82    | 9.3%            |
| (4)  | Change in Morbidity                                  | 1.006       | 0.988       | 1.8%            |
| (5)  | Additional Population Adjustment                     | 1.000       | 1.000       | 0.0%            |
| (6)  | Induced Demand                                       | 1.0036      | 1.004       | 0.0%            |
| (7)  | Projection Period Utilization and Network Adjustment | 1.000       | 1.000       | 0.0%            |
| (8)  | Demographic Adjustment                               | 0.992       | 0.989       | 0.4%            |
| (9)  | Area Adjustment                                      | 1.000       | 1.000       | 0.0%            |
| (10) | Additional "Other" Adjustments                       | 1.000       | 1.002       | -0.2%           |
| (11) | Annualized Trend                                     | 7.5%        | 8.1%        |                 |
| (12) | Months of Trend                                      | 24          | 24.0        |                 |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.156       | 1.168       | -1.0%           |
| (14) | Projection Period Index Rate                         | \$451.52    | \$409.38    | 10.3%           |
| (15) | Risk Adjustment Program                              | 1.005       | 1.342       | -25.1%          |
| (16) | Federal Exchange User Fee                            | 1.000       | 1.000       | 0.0%            |
| (17) | Market Adjusted Index Rate                           | \$453.60    | \$549.34    | -17.4%          |
|      | Without Risk Adjustment                              | \$451.52    | \$409.38    | 10.3%           |

2020 DC Individual BlueChoice  
Plan Adjusted Index Rate Changes

| Index |  | HIOS Plan ID   | Plan Name                                  | Type | Metallic Tier | On/Off | 12/2019<br>Projected<br>Members | Market Adjusted Index Rate |          |         | Benefits |       |        | Network |       |        | Induced Utilization |       |        | HSA Factor |       |        | Non-EHB |       |        | Catastrophic Adjustment |       |        | Admin |       |        | Age Calibration |       |        | Total Change |          |         |
|-------|--|----------------|--|------|---------------|--------|---------------------------------|----------------------------|----------|---------|----------|-------|--------|---------|-------|--------|---------------------|-------|--------|------------|-------|--------|---------|-------|--------|-------------------------|-------|--------|-------|-------|--------|-----------------|-------|--------|--------------|----------|---------|
|       |  |                |  |      |               |        |                                 | 2020                       | 2019     | Change  | 2020     | 2019  | Change | 2020    | 2019  | Change | 2020                | 2019  | Change | 2020       | 2019  | Change | 2020    | 2019  | Change | 2020                    | 2019  | Change | 2020  | 2019  | Change | 2020            | 2019  | Change | 2020         | 2019     | Change  |
|       |  |                |  |      |               |        |                                 |                            |          |         |          |       |        |         |       |        |                     |       |        |            |       |        |         |       |        |                         |       |        |       |       |        |                 |       |        |              |          |         |
| 1     |  | 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | HMO  | SILVER        | On     | 1,036                           | \$453.60                   | \$549.34 | -17.43% | 0.639    | 0.647 | -1.27% | 0.954   | 0.958 | -0.42% | 0.953               | 0.953 | -0.01% | 1.000      | 1.000 | 0.00%  | 1.007   | 1.007 | 0.02%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$347.72     | \$389.65 | -10.76% |
| 2     |  | 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | HMO  | GOLD          | On     | 289                             | \$453.60                   | \$549.34 | -17.43% | 0.822    | 0.826 | -0.51% | 0.954   | 0.958 | -0.42% | 0.994               | 0.996 | -0.20% | 1.000      | 1.000 | 0.00%  | 1.006   | 1.006 | 0.01%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$466.23     | \$519.49 | -10.25% |
| 3     |  | 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | HMO  | CATASTROPHIC  | On     | 678                             | \$453.60                   | \$549.34 | -17.43% | 0.542    | 0.541 | 0.34%  | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.013   | 1.012 | 0.12%  | 0.489                   | 0.508 | -3.73% | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$140.60     | \$161.03 | -12.69% |
| 4     |  | 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | HMO  | BRONZE        | On     | 745                             | \$453.60                   | \$549.34 | -17.43% | 0.586    | 0.589 | -0.45% | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.007   | 1.007 | 0.03%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$308.73     | \$343.43 | -10.10% |
| 5     |  | 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | HMO  | PLATINUM      | On     | 220                             | \$453.60                   | \$549.34 | -17.43% | 0.912    | 0.913 | -0.10% | 0.954   | 0.958 | -0.42% | 1.059               | 1.060 | -0.09% | 1.000      | 1.000 | 0.00%  | 1.005   | 1.005 | 0.01%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.199 | 13.85% | 0.961           | 0.969 | -0.83% | \$551.31     | \$594.93 | -7.33%  |
| 6     |  | 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO  | BRONZE        | On     | 1,275                           | \$453.60                   | \$549.34 | -17.43% | 0.564    | 0.555 | 1.54%  | 0.954   | 0.958 | -0.42% | 0.921               | 0.922 | -0.11% | 1.000      | 1.000 | 0.00%  | 1.008   | 1.007 | 0.02%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$296.99     | \$323.92 | -8.31%  |
| 7     |  | 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | HMO  | GOLD          | On     | 116                             | \$453.60                   | \$549.34 | -17.43% | 0.747    | 0.739 | 1.09%  | 0.954   | 0.958 | -0.42% | 0.994               | 0.996 | -0.20% | 1.000      | 1.000 | 0.00%  | 1.006   | 1.006 | 0.01%  | 1.000                   | 1.000 | 0.00%  | 1.366 | 1.232 | 10.83% | 0.961           | 0.969 | -0.83% | \$424.25     | \$465.29 | -8.82%  |
| 4,359 |  |                |  |      |               |        |                                 | \$453.60                   | \$549.34 | -17.43% | 0.622    | 0.621 | 0.12%  | 0.954   | 0.958 | -0.42% | 0.942               | 0.943 | -0.09% | 1.00       | 1.00  | 0.00%  | 1.008   | 1.008 | 0.04%  | 0.921                   | 0.923 | -0.58% | 1.366 | 1.231 | 10.98% | 0.961           | 0.969 | -0.83% | \$314.17     | \$347.95 | -10.0%  |

Key Drivers:

- 1.) Deterioration in the base period experience of the combined pool.
- 2.) Re-introduction of the Health Insurer Fee in 2020.
- 3.) Combined Risk Adjustment factor.

# CareFirst BlueCross BlueShield

## Part III Actuarial Memorandum

### 4.1 Redacted Actuarial Memorandum

CareFirst is making no redactions so both Actuarial Memorandum submissions are the same.

### 4.2 General Information Section

#### Company Identifying Information:

- **Company Legal Name:** CareFirst BlueChoice, Inc. (CFBC) - NAIC # 96202
- **State:** District of Columbia
- **HIOS Issuer ID:** 86052
- **Market:** Individual, Non-Medigap (On Exchange)
- **Effective Date:** 1/1/20 – 12/31/20
- **Company Filing Number:** 2342
- **SERFF Filing Number:** CFAP-131941478

#### Company Contact Information:

- **Primary Contact Name:** Mr. Cory Bream, ASA, MAAA
- **Primary Contact Telephone Number:** 410-998-5308
- **Primary Contact E-Mail Address:** Cory.Bream@CareFirst.com

### 4.3 Proposed Rate Changes (Individual market)

Base rates are changing -10.0% on average. The range is -12.7% to -7.3%. This filing applies to all new and renewing, in-force business in the guaranteed renewable, non-grandfathered, ACA, metaled benefit plans. The number of policyholders affected by this rate change is 3,659.

#### Reason for Rate Change(s):

The main drivers supporting the rate change are the deterioration in the base period experience of the combined pool, the re-introduction of the Health Insurer Fee in 2020, and a lower projected risk adjustment factor. But the main impact is due to this filing containing combined risk adjustment, with the State average factors being the same for both Individual and Small Group.

### 4.4 Market Experience (Combined Individual/Small Group market)

Our SRP reflects all covered lives for every non-grandfathered product in our market per 45 CFR Part § 156.80 (d).

#### 4.4.1 Experience and Current Period Premium, Claims, and Enrollment

The incurred period is 1/1/18 through 12/31/18, as required.

**Paid Through Date:** 2/28/19

**Current Date:** 2/28/19

**Premiums (prior to MLR rebates) in Experience Period:** \$210,277,846

**Experience Period Member Months:** 483,210

**Current Date Members:** 42,697

**Allowed and Incurred Claims Incurred During the Experience Period**

**Allowed Claims**

- **Processed through issuer's claim system:** \$188,625,834
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,940,530

**Incurred Claims**

- **Processed through issuer's claim system:** \$160,837,637
- **Processed outside issuer's claim system:** \$0
- **IBNR:** \$1,644,119

**Method used for determining Allowed Claims**

The allowed claims come directly from our claim records and account for capitations by applying contracted PMPM amounts directly to enrollment from the experience period. Drug rebates from the experience period are also included.

**Support for IBNR estimates**

Our estimates of IBNR paid claims were derived using a "chain and ladder" model based on the most recent 36 months to derive the completion factor and IBNR for each incurred month. Estimates of IBNR allowed claims were derived using the same completion factors as those estimated based on paid claims.

**4.4.2 Benefit Categories**

Inpatient (hospital), outpatient (hospital), professional, other medical (non-capitated ambulance, home health care, durable medical equipment, prosthetics, supplies, vision exams, pediatric dental services and other), prescription drug & capitations.

**4.4.3 Projection Factors***4.4.3.1 Trend Factors***Trend Factors (Cost/Utilization):**

Exhibit 8 in the Memorandum contains our selected annual utilization and unit cost trends by service category. Unit cost and utilization trends were set by service category to produce the overall anticipated trend of 7.5%, which is a slight decrease compared to the 8.1% trend assumed in our prior filing. Current observed medical trends as of 201812 are 9.5%, down from 9.6% in 201712. The current observed drug trends are 7.4% as of 201812, down from 11.5% in 201712.

We note that the current drug observed trend as of 201812 is artificially depressed due to a structural formulary change effective 201801. The adjusted observed drug trend as of 201812 is 9.7%. The adjusted aggregate medical and drug trend is 9.6%.

When normalized for induced demand, network, and demographics, the composite 9.6% observed trend decreases to 6.6%.

In addition, we sought industry data to help inform our trend assumption. The table below was developed from two different industry surveys from national consultants. The medical and drug trends reported were blended using our base period experience to estimate composite trends.

| Percentile | 2019 OW Carrier Trend Report |      |      | 2019 Aon Carrier Trend Survey |      |      | Average |
|------------|------------------------------|------|------|-------------------------------|------|------|---------|
|            | HMO                          | PPO  | CDH  | HMO                           | PPO  | CDH  |         |
| 75th       | 8.2%                         | 9.5% | 9.9% | 8.8%                          | 9.2% | 9.2% | 9.1%    |
| 50th       | 7.4%                         | 7.9% | 8.3% | 8.1%                          | 7.6% | 7.8% | 7.9%    |
| 25th       | 5.3%                         | 6.6% | 6.7% | 6.5%                          | 6.1% | 6.1% | 6.2%    |

Based on this information we believe that our assumed 7.5% composite trend is well within the reasonable range of trend assumptions.

#### 4.4.3.2 Adjustments to Trended EHB Allowed Claims PMPM

##### **Morbidity Adjustment:**

Exhibit 4 in our memorandum contains support for this adjustment. To measure the projected morbidity of our population, we split our projected population into cohorts defined by metal tier and membership type. Membership type is defined as new member, existing member, or transfer from other lines of business. Consistent with the rules in the 2020 Unified Rate Review Instructions, we began our morbidity projection by normalizing allowed claims for each of the cohorts outlined above for projected changes in age, gender, network and induced utilization.

We have not reflected any morbidity adjustments to the base period normalized allowed PMPMs by metal tier for the existing and transfer membership types. Exhibit 4 demonstrates how these PMPMs are unchanged from the current year YTD to remainder of current year. For the new membership type we have assumed a claims PMPM by metal equal to that of the existing members.

The resulting morbidity calculation is completed in steps split by year:

- Once the remainder of current year (2019) is completed, the membership and claims by metal are combined to derive a total estimate for the year.
- This result carries over to the rating year (2020) as the metal specific normalized PMPMs for the existing members.
- The assumed claims PMPMs by metal for the new members are again assumed to equal those for the existing members.
- Transfer members PMPMs are treated separately and reflect base period amounts projected forward. Our projection factor for these members is 1.000.
- Once these PMPMs are set, the final morbidity calculation is driven by the projected member months at these levels.

The total morbidity change from 2018 to 2020 is expected to be 0.6%, which is the factor used in Exhibit 1 in the calculation of the market adjustment index rate.

##### **Demographic Shift:**

Exhibit 6 in the Memorandum contains support for our adjustment due to the anticipated change in the average age of this population between the experience and projection periods. Our methodology measures the change in average demographic factor between the base and rating periods. The demographic factors used are from an internal age/gender curve with an approximate 4.5:1 ratio (age 64+ to age 21 factors). Factors for both time periods are weighted using member months and the ratio of the two is applied as our market level adjustment.

##### **Plan Design Changes:**

Exhibit 5 in the Memorandum details our support for this adjustment to account for anticipated changes in the average utilization of services due to differences in average cost sharing requirements between the experience and projection periods. Our methodology measures the change in the average induced utilization factor between the base and rating periods. The factors used are the metal level factors from the



federal risk adjustment program. Once the average internal pricing AV, weighted by member months, is determined for both the experience and rating periods the linearly interpolated factor is determined. The ratio of these two factors is applied as our market level adjustment.

#### **Other Adjustments:**

Exhibit 7 in the Memorandum details our support for these adjustments. We are proposing additional other adjustments for changes to our capitation fees and drug rebates.

##### *4.4.3.3 Manual Rate Adjustments*

Not applicable, as experience was determined to be fully credible.

##### *4.4.3.4 Credibility of Experience*

Exhibit 2 in the Memorandum contains a summary of our base period experience, including member months. We have assigned full credibility to this experience.

##### *4.4.3.5 Establishing the Index Rate*

The experience period index rate for this filing is \$390.02 and the projection period index rate is \$451.52. Both rates and the adjustments made to develop the projected amount from the experience period amount can be found on Exhibit 1 of the Memorandum. Specifically, these adjustments correspond to those outlined in sections 4.4.3.1 and 4.4.3.2.

##### *4.4.3.6 Development of the Market-wide Adjusted Index Rate*

The Market-wide Adjusted Index Rate for the Individual market is \$453.60 and is derived by multiplying the projection period index rate with the market level adjustments for the risk adjustment program. Details for the risk adjustment program can be found below.

#### **Reinsurance**

There are no reinsurance recoveries applicable to this market.

#### **Risk Adjustment Payment/Charge:**

The Experience Period Risk Adjustment transfers in the URRT are based on the most recent Wakely results.

Our projected 2020 risk adjustment transfers, found in Exhibit 9, have been calculated consistent with our membership and morbidity projections found elsewhere in this filing. The risk adjustment in this version of the filing is calculated on a "Combined" basis. We combined the Statewide elements, including members, Premium (PMPM), PLRS, ARF, GCF, IDF and AV. The PMPM and factors are weighted by members. Prior to this combination, the Individual market had an expected increase in the Statewide PMPM of 25.4% (\$468.98/\$373.87) between 2020 and 2018. On a combined basis, the Statewide PMPM is expected to increase 31.3%, when compared to the Individual market (\$490.96/\$373.87). The 2020 Statewide PLRS decreases on a combined basis, from 1.280 (Statewide Individual) to 1.176 (Statewide Combined). The PLRS for BlueChoice Individual remains the same at 0.894, and when compared to the combined statewide PLRS of 1.176 the segment is 24% healthier than the State (it was 30% healthier under separate risk adjustment). The higher Statewide PMPM and lower statewide PLRS causes BlueChoice Individual to pay 98% less in risk adjustment dollars. The resultant estimate of combined risk adjustment is that the BlueChoice payable transfer PMPM for the Individual market will decrease from \$-45.99 in 2018 to \$-0.98 in 2020, vs. \$-60.03 (non-combined).  $\$-0.98/\$-60.03 = -98\%$ . Based on the resulting change in combined risk adjustment and its effect on the rates we have made no adjustments to other assumptions in the filing.

#### **Exchange User Fees:**

There are no applicable exchange user fees since the rates in this filing are not offered on the Federal Marketplace.

#### 4.4.4 Plan Adjusted Index Rate

Exhibit 11 in the Memorandum displays the adjustments made for each plan. Every plan adjusted index rate is developed from the market adjusted index rate using only the allowable plan level modifiers as follows:

- **Actuarial value and cost-sharing design of the plan:** The actuarial value for each plan was determined using our own internal model and estimates the ratio of paid to allowed dollars given that plan's benefit design and the assumed allowed amount consistent with the projection period index rate. The URRT instructions state that this adjustment may "...take into account the benefit differences and *utilization differences due to differences in cost-sharing*." As a result, our plan adjusted index rates also include adjustments to account for the impact the metal level has on utilization.
- **Provider network:** All plans offered use the Open Access network.
- **Benefits in addition to EHBs:** There is an adjustment to account for abortion coverage and adult vision (which are offered in addition to EHBs).
- **Administrative costs:** See Exhibit 10A in the Memorandum for the assumed values of the following additional items.
  1. Administrative Expense (G&A)
  2. Broker Commissions & Fees
  3. Federal Income Tax (FIT)
  4. Contribution to Reserve (Post-Tax)
  5. State Premium Tax
  6. Health Insurer Fee (HIF)
  7. Risk Adjustment User Fee
  8. Exchange Assessment Fee
- **Catastrophic adjustment:** The catastrophic factor has been developed from the experience of the catastrophic population and is applied only to the catastrophic plan as required. See the Appendix in the Memorandum for more details. All other factors applied to the Market Adjusted Index Rate are the same across all plans.

For each plan, we have taken the applicable adjustment factor from each category above and multiplied them by the market adjusted index rate to derive each plan adjusted index rate.

#### 4.4.5 Calibration

##### Age Curve Calibration

We have calibrated to the rounded weighted average age which was determined as the age for the factor nearest our projected average factor. We have used the standard DC age curve factors and weighted them using member months in our calculation.

A demonstration of how the plan adjusted index rates and the age curve are used to generate the schedule of premium rates for each plan can be found on Exhibit 13.

##### Geographic Factor Calibration

We have elected not to rate for geographic region.

## **Tobacco Use Rating Factor Calibration**

We have elected not to rate for tobacco usage.

### **4.4.6 Consumer Adjusted Premium Rate Development**

The premium rate that a given consumer will be charged is calculated by first taking the plan adjusted index rate for that member's chosen plan and dividing by the projected average age rating factor. The resulting value is the base rate for that plan. The final step in determining a consumer adjusted premium rate is to take the rate from the first step and multiply it by the corresponding factor for that member's age from the standard DC age curve. Rate charts are provided for all the consumer adjusted premiums.

## **4.5 Projected Loss Ratio**

The projected loss ratio for the rates provided in this file, using the Federally-prescribed MLR methodology, is 76.3% for the Individual market and 80.8% for the combined Individual/Small Group market. Details behind this calculation can be found in Exhibit 10B.

## **4.6 Plan Product Information**

### **4.6.1 AV Metal Values**

The majority of our 2020 plans include varying cost share levels for some services that depend on the setting in which care is delivered. The HHS AV calculator was used to compute two separate AVs for each impacted plan – one which applied the higher level of cost-share, and one which applied the lower level of cost-share. The results were blended assuming 81% of the designated services are rendered in higher cost-share setting and the remaining 19% at the lower, consistent with experience from our small group and individual markets. Plans without these features used the AV calculator without modification.

Additional details regarding the unique plan designs not accommodated by the HHS AV Calculator along with printouts for each plan are provided in the "Actuarial Memorandum" section of the Supporting Documentation tab of the SERFF filing.

### **4.6.2 Membership Projections**

The membership projections found in Worksheet 2 of the URRT were developed from enrollment as of 2/28/19 using assumptions for termination rates, new sales and transfers. The projections also incorporate any plan mappings anticipated between that month and the rating period. For new plan offerings where no plans are being uniformly modified into them, a minimum level of enrollment was assumed.

### **4.6.3 Plan Type**

Each plan in Worksheet 2, Section I of the URRT contains a plan type that describes the plan exactly.

## **4.7 Miscellaneous Instructions**

### **4.7.1 Effective Rate Review Information (Optional)**

We have no additional exhibits.

### **4.7.2 Reliance**

We do not have any reliance to state.

### **4.7.3 Actuarial Certification**

Included in the Memorandum.

**BlueChoice Inc.  
d.b.a. CareFirst BlueCross BlueShield  
(NAIC # 96202)**

**Rate Filing # 2342  
D.C. Individual Products  
Rate Filing Effective 1/1/2020**

**Actuarial Memorandum**

**BlueChoice Inc.**  
**(NAIC # 96202)**  
**H.R. 3950 - Public Law 111-148 - Patient Protection and Affordable Care Act (ACA)**  
**D.C. Individual Products**  
**Rate Filing Effective 1/1/2020**  
**Actuarial Certification**

I, Cory Bream, am a(n) Actuarial Associate with CareFirst BlueChoice doing business as CareFirst BlueCross BlueShield. I am a member of the American Academy of Actuaries (AAA) in good standing and have the education and experience necessary to perform the work. Rates were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the AAA's Code of Professional Conduct. While other ASOPs apply, a sample listing is below.

- i. ASOP No. 5, Incurred Health and Disability Claims
- ii. ASOP No. 8, Regulatory Filings for Health Plan Entities
- iii. ASOP No. 12, Risk Classification
- iv. ASOP No. 23, Data Quality
- v. ASOP No. 25, Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverages
- vi. ASOP No. 26, Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health and Benefit Plans
- vii. ASOP No. 41, Actuarial Communications
- viii. ASOP No. 50, Determining Minimum Value and Actuarial Value under the Affordable Care Act

I have been involved in the development of these rates, and to the best of my knowledge and understanding, the rates in this filing have been developed in accordance with the available regulations and guidance. Should new guidance be released, this filing may be revised. I certify that this filing has been prepared based on sound and commonly accepted actuarial principles, practices and assumptions in the aggregate for the legal entity.

I further certify the following:

1. The projected Index Rate is:
  - a. In compliance with all applicable state and Federal statutes and regulations (45 CFR § 156.80(d)(1) and 147.102).
  - b. Developed in compliance with the applicable Actuarial Standards of Practice.
  - c. Reasonable in relation to the benefits provided and the population anticipated to be covered.
  - d. Neither excessive nor deficient.
2. The Index Rate and only the allowable modifiers as described in 45 CFR § 156.80(d)(1) and 45 CFR § 156.80(d)(2) were used to generate plan level rates. These rates have been calibrated to account for age (geography and tobacco are not applicable).
3. Consistent with 45 CFR § 156.135, the 2020 HHS Actuarial Values (AV) Calculator was used to determine the AV metal values shown in Worksheet 2 of Part I of the Unified Rate Review Template (URRT) for all plans except those specified. Where necessary, the AVs of the benefits proposed have been calculated with minimal modifications to the AV calculator as described in the Actuarial Memorandum.

As a qualifier to the opinion, the URRT does not demonstrate the process used by the issuer to develop the rates. Rather it represents information required by Federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Marketplaces, and for certification that the Index Rate is developed in accordance with Federal regulation and used consistently and only adjusted by the allowable modifiers.

**Cory Bream** Digitally signed by Cory Bream  
Date: 2019.05.24 09:05:22 -04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate  
CareFirst BlueCross BlueShield  
Mail Drop-Point 01-720  
10455 Mill Run Circle  
Owings Mills, MD 21117

### Exhibit 1 - Market Adjusted Index Rate Summary

|      |  | 2020      | Exhibit |
|------|--|-----------|---------|
| (1)  | Base Period Total Allowed                            | \$ 390.36 | 2       |
| (2)  | Base Period Non-EHB PMPM                             | \$ 0.34   | 2       |
| (3)  | Experience Period Index Rate                         | \$ 390.02 |         |
| (4)  | Change in Morbidity                                  | 1.0057    | 4       |
| (5)  | Additional Population Adjustment                     | 1.0000    |         |
| (6)  | Induced Demand                                       | 1.0036    | 5       |
| (7)  | Projection Period Utilization and Network Adjustment | 1.0000    |         |
| (8)  | Demographic Adjustment                               | 0.9923    | 6       |
| (9)  | Area Adjustment                                      | 1.0000    |         |
| (10) | Additional "Other" Adjustments                       | 1.0001    | 7       |
| (11) | Annualized Trend                                     | 7.5%      | 8       |
| (12) | Months of Trend                                      | 24.0      |         |
| (13) | Unit cost & Utilization/1,000 Trend Factor           | 1.1558    |         |
| (14) | Projection Period Index Rate                         | \$ 451.52 |         |
| (15) | Risk Adjustment Program                              | 1.0046    | 9       |
| (16) | Federal Exchange User Fee                            | 1.0000    |         |
| (17) | Market Adjusted Index Rate                           | \$ 453.60 |         |
|      | Without Risk Adjustment                              | \$ 451.52 |         |

**The projection period index rate was developed by projecting individual URRT service categories and then building up into a total PMPM. As a result the adjustments above may not match the referenced exhibits exactly because these represent the average factor when considering application at the service category level.**

## Exhibit 2 - Base Period Experience

| Service Category                       | Incurred  | Allowed            | Allowed PMPM | Utilization Description | Utilization per 1,000 | Average Cost/Service |    |           |
|--|-----------|--------------------|--------------|-------------------------|-----------------------|----------------------|----|-----------|
| Inpatient Hospital                     | \$        | 31,263,298         | \$           | 64.70                   | Admits                | 51.67                | \$ | 15,025.01 |
| Outpatient Hospital                    | \$        | 34,081,924         | \$           | 70.53                   | Visits                | 593.91               | \$ | 1,425.12  |
| Professional                           | \$        | 64,435,276         | \$           | 133.35                  | Visits                | 9,954.65             | \$ | 160.75    |
| Other Medical                          | \$        | 11,719,373         | \$           | 24.25                   | Services              | 1,336.37             | \$ | 217.78    |
| Capitation                             | \$        | 379,254            | \$           | 0.78                    | Benefit Period        | 1,000                | \$ | 9.42      |
| Prescription Drug                      | \$        | 46,746,709         | \$           | 96.74                   | Prescriptions         | 7,753.00             | \$ | 149.74    |
| <b>Total (EHB &amp; Non-EHB)</b>       | <b>\$</b> | <b>188,625,834</b> | <b>\$</b>    | <b>390.36</b>           |                       |                      |    |           |
| <b>EHB Allowed</b>                     | <b>\$</b> | <b>188,460,839</b> | <b>\$</b>    | <b>390.02</b>           |                       |                      |    |           |
| <b>Non-EHB Allowed</b>                 | <b>\$</b> | <b>164,996</b>     | <b>\$</b>    | <b>0.34</b>             |                       |                      |    |           |
| <b>Incurred Net</b>                    | <b>\$</b> | <b>160,837,637</b> | <b>\$</b>    | <b>332.85</b>           |                       |                      |    |           |
| <b>Net/Allowed</b>                     |           | <b>85.27%</b>      |              |                         |                       |                      |    |           |
| <b>Experience Period Member Months</b> |           | <b>483,210</b>     |              |                         |                       |                      |    |           |
| <b>Experience Period Revenue</b>       | <b>\$</b> | <b>210,277,846</b> |              |                         |                       |                      |    |           |



### Exhibit 3 - Non-EHB Adjustment

| HIOS Plan ID   | Plan Name                                  | Exchange | 2020 Index Rate | 2020 Non-EHB PMPM | 2020 Non-EHB Adjustment |
|----------------|--|----------|-----------------|-------------------|-------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$ 451.52       | \$ 3.06           | 1.0068                  |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$ 451.52       | \$ 2.55           | 1.0057                  |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$ 451.52       | \$ 6.03           | 1.0134                  |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$ 451.52       | \$ 3.31           | 1.0073                  |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$ 451.52       | \$ 2.32           | 1.0051                  |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$ 451.52       | \$ 3.40           | 1.0075                  |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$ 451.52       | \$ 2.69           | 1.0060                  |

Exhibit 4 - Morbidity Adjustment Factor

Base Year

| Metal Level     | Member Months  | 2018 Normalized Allowed PMPM |
|-----------------|----------------|------------------------------|
| Catastrophic    | 8,314          | \$ 80.94                     |
| Bronze          | 39,683         | \$ 131.73                    |
| Silver          | 111,862        | \$ 191.07                    |
| Gold            | 169,283        | \$ 210.46                    |
| Platinum        | 153,964        | \$ 236.35                    |
| <b>Subtotal</b> | <b>483,106</b> | <b>\$ 205.52</b>             |

Current Year YTD

| Existing        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 903           | \$ 87.07                     | 1.000                | \$ 87.07                              |
| Bronze          | 5,219         | \$ 125.51                    | 1.000                | \$ 125.51                             |
| Silver          | 15,115        | \$ 190.25                    | 1.000                | \$ 190.25                             |
| Gold            | 23,249        | \$ 205.55                    | 1.000                | \$ 205.55                             |
| Platinum        | 20,575        | \$ 238.16                    | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>65,061</b> | <b>\$ 204.24</b>             | <b>1.000</b>         | <b>\$ 204.24</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 348           | \$ 87.07   | 1.000                | \$ 87.07                              |
| Bronze          | 1,428         | \$ 125.51  | 1.000                | \$ 125.51                             |
| Silver          | 2,943         | \$ 190.25  | 1.000                | \$ 190.25                             |
| Gold            | 4,470         | \$ 205.55  | 1.000                | \$ 205.55                             |
| Platinum        | 3,507         | \$ 238.16  | 1.000                | \$ 238.16                             |
| <b>Subtotal</b> | <b>12,696</b> | <b>\$ 198.76</b>                                 | <b>1.000</b>         | <b>\$ 198.76</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 70            | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 603           | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 1,945         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,451         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 2,207         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>7,276</b>  | <b>\$ 228.05</b>             | <b>1.000</b>         | <b>\$ 228.05</b>                      |

| Total           |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2018 Normalized Allowed PMPM | Morbidity Adjustment | 2019 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 1,321         | \$ 87.29                     | 1.000                | \$ 87.29                              |
| Bronze          | 7,250         | \$ 129.20                    | 1.000                | \$ 129.20                             |
| Silver          | 20,003        | \$ 191.07                    | 1.000                | \$ 191.07                             |
| Gold            | 30,170        | \$ 210.48                    | 1.000                | \$ 210.48                             |
| Platinum        | 26,289        | \$ 237.62                    | 1.000                | \$ 237.62                             |
| <b>Subtotal</b> | <b>85,033</b> | <b>\$ 205.46</b>             | <b>1.000</b>         | <b>\$ 205.46</b>                      |

Remainder of Current Year

| Existing        |                |                                       |  |
|-----------------|----------------|---------------------------------------|--|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 3,743          | \$ 87.07                              |  |
| Bronze          | 24,090         | \$ 125.51                             |  |
| Silver          | 79,441         | \$ 190.25                             |  |
| Gold            | 119,749        | \$ 205.55                             |  |
| Platinum        | 109,114        | \$ 238.16                             |  |
| <b>Subtotal</b> | <b>336,137</b> | <b>\$ 205.46</b>                      |  |

| New             |               |                                       |  |
|-----------------|---------------|---------------------------------------|--|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 2,585         | \$ 87.07                              |  |
| Bronze          | 8,897         | \$ 125.51                             |  |
| Silver          | 13,352        | \$ 190.25                             |  |
| Gold            | 21,812        | \$ 205.55                             |  |
| Platinum        | 13,638        | \$ 238.16                             |  |
| <b>Subtotal</b> | <b>60,284</b> | <b>\$ 192.65</b>                      |  |

| Transfer        |               |                                       |  |
|-----------------|---------------|---------------------------------------|--|
| Metal Level     | Member Months | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 340           | \$ 91.21                              |  |
| Bronze          | 2,704         | \$ 169.89                             |  |
| Silver          | 6,703         | \$ 198.66                             |  |
| Gold            | 9,174         | \$ 266.27                             |  |
| Platinum        | 7,246         | \$ 231.76                             |  |
| <b>Subtotal</b> | <b>26,167</b> | <b>\$ 227.16</b>                      |  |

| Total           |                |                                       |  |
|-----------------|----------------|---------------------------------------|--|
| Metal Level     | Member Months  | 2019 Adjusted Normalized Allowed PMPM |  |
| Catastrophic    | 6,668          | \$ 87.28                              |  |
| Bronze          | 35,691         | \$ 128.87                             |  |
| Silver          | 99,496         | \$ 190.82                             |  |
| Gold            | 150,735        | \$ 209.24                             |  |
| Platinum        | 129,998        | \$ 237.80                             |  |
| <b>Subtotal</b> | <b>422,588</b> | <b>\$ 204.98</b>                      |  |

Total Current Year

| Total           | Member Months  | 2019 Adjusted Normalized Allowed PMPM |
|-----------------|----------------|---------------------------------------|
| Catastrophic    | 7,989          | \$ 87.28                              |
| Bronze          | 42,941         | \$ 128.93                             |
| Silver          | 119,499        | \$ 190.86                             |
| Gold            | 180,905        | \$ 209.45                             |
| Platinum        | 156,287        | \$ 237.77                             |
| <b>Subtotal</b> | <b>507,621</b> | <b>\$ 205.06</b>                      |

Rating Year

| Existing        |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 6,169          | \$ 87.28                     | 1.000                | \$ 87.28                              |
| Bronze          | 35,159         | \$ 128.93                    | 1.000                | \$ 128.93                             |
| Silver          | 104,278        | \$ 190.86                    | 1.000                | \$ 190.86                             |
| Gold            | 122,399        | \$ 209.45                    | 1.000                | \$ 209.45                             |
| Platinum        | 178,100        | \$ 237.77                    | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>446,105</b> | <b>\$ 208.38</b>             | <b>1.000</b>         | <b>\$ 208.38</b>                      |

| New             |               |  |                      |                                       |
|-----------------|---------------|--|----------------------|---------------------------------------|
| Metal Level     | Member Months | Existing Cohort Adjusted Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 2,918         | \$ 87.28   | 1.000                | \$ 87.28                              |
| Bronze          | 9,972         | \$ 128.93  | 1.000                | \$ 128.93                             |
| Silver          | 14,742        | \$ 190.86  | 1.000                | \$ 190.86                             |
| Gold            | 16,206        | \$ 209.45  | 1.000                | \$ 209.45                             |
| Platinum        | 17,038        | \$ 237.77  | 1.000                | \$ 237.77                             |
| <b>Subtotal</b> | <b>60,876</b> | <b>\$ 193.83</b>                                 | <b>1.000</b>         | <b>\$ 193.83</b>                      |

| Transfer        |               |                              |                      |                                       |
|-----------------|---------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 300           | \$ 91.21                     | 1.000                | \$ 91.21                              |
| Bronze          | 2,052         | \$ 169.89                    | 1.000                | \$ 169.89                             |
| Silver          | 2,724         | \$ 198.66                    | 1.000                | \$ 198.66                             |
| Gold            | 2,028         | \$ 266.27                    | 1.000                | \$ 266.27                             |
| Platinum        | 1,740         | \$ 231.76                    | 1.000                | \$ 231.76                             |
| <b>Subtotal</b> | <b>8,844</b>  | <b>\$ 210.35</b>             | <b>1.000</b>         | <b>\$ 210.35</b>                      |

| Total           |                |                              |                      |                                       |
|-----------------|----------------|------------------------------|----------------------|---------------------------------------|
| Metal Level     | Member Months  | 2019 Normalized Allowed PMPM | Morbidity Adjustment | 2020 Adjusted Normalized Allowed PMPM |
| Catastrophic    | 9,387          | \$ 87.41                     | 1.000                | \$ 87.41                              |
| Bronze          | 47,183         | \$ 130.71                    | 1.000                | \$ 130.71                             |
| Silver          | 121,744        | \$ 191.03                    | 1.000                | \$ 191.03                             |
| Gold            | 140,633        | \$ 210.27                    | 1.000                | \$ 210.27                             |
| Platinum        | 196,878        | \$ 237.72                    | 1.000                | \$ 237.72                             |
| <b>Subtotal</b> | <b>515,825</b> | <b>\$ 206.69</b>             | <b>1.000</b>         | <b>\$ 206.69</b>                      |

| Year | Adjusted Normalized PMPM | Year over Year Change |
|------|--------------------------|-----------------------|
| 2018 | \$ 205.52                | n/a                   |
| 2019 | \$ 205.06                | -0.2%                 |
| 2020 | \$ 206.69                | 0.8%                  |

|                             |        |
|-----------------------------|--------|
| Morbidity Adjustment Change | 0.6%   |
| Morbidity Adjustment Factor | 1.0057 |

### Exhibit 5 - Induced Utilization Adjustment Factor

| Year                   | Actuarial Value | Induced Demand Factor |         |
|------------------------|-----------------|-----------------------|---------|
| (1) 2018               | 78.33%          | 1.0716                |         |
| (2) Projected 2020     | 79.10%          | 1.0755                |         |
| (3) <b>Adjustment*</b> |                 | <b>1.0036</b>         | (2)/(1) |

**\*Applied to all service categories except capitations**

### Exhibit 6 - Demographic Adjustment

|     | Period                           | Cohort     | Demo Factor*  | Weight | Average Age** |
|-----|----------------------------------|------------|---------------|--------|---------------|
| (1) | Base Period                      | All        | 1.6526        | 100.0% | 34.0          |
| (2) | Rating Period                    | Existing   | 1.6594        | 86.5%  |               |
|     |                                  | New        | 1.5005        | 11.8%  |               |
|     |                                  | Transfer   | 1.6150        | 1.7%   |               |
| (3) | Rating Period                    | All        | 1.6399        | 100.0% | 33.8          |
| (4) | <b>Demographic Adjustment***</b> | <b>All</b> | <b>0.9923</b> |        |               |

(3) / (1)

\*Demo factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*Average ages are member weighted

\*\*\*Applied to all service categories except capitations

### Exhibit 7 - Factors for Additional "Other" Adjustments

#### Capitation adjustment

|     |  |    |               |         |
|-----|--|----|---------------|---------|
| (1) | EP Capitation PMPM                       | \$ | 0.54          |         |
| (2) | Projected Capitations PMPM               | \$ | 0.79          |         |
| (3) | <b>Adjustment to Capitation Category</b> |    | <b>1.4615</b> | (2)/(1) |

#### Drug Rebates adjustment

|     |  |    |               |         |
|-----|--|----|---------------|---------|
| (4) | Experience Period Allowed Rx PMPM (Pre-Rebate) | \$ | 113.95        |         |
| (5) | Experience Pharmacy Rebates PMPM               | \$ | 17.21         |         |
| (6) | Projected Pharmacy Rebates PMPM                | \$ | 15.27         |         |
| (7) | Post-Rebate Rx PMPM (using Experience Rebates) | \$ | 96.74         |         |
| (8) | Post-Rebate Rx PMPM (using Projected Rebates)  | \$ | 98.69         |         |
| (9) | <b>Adjustment to Drug Category</b>             |    | <b>1.0201</b> | (8)/(7) |

#### Formulary Adjustments

|      |  |    |               |                             |
|------|--|----|---------------|-----------------------------|
| (10) | Experience Period Allowed Rx PMPM (Pre-Rebate, existing formulary) | \$ | 113.95        |                             |
| (11) | Ingredient cost Adjustment Factor                                  |    | 0.9812        |                             |
| (12) | Experience Period Allowed Rx PMPM (Pre-Rebate, new formulary)      | \$ | 111.81        | (10)*(11)                   |
| (13) | Projection Period Pharmacy Rebates PMPM                            | \$ | 15.27         |                             |
| (14) | <b>Adjustment to Drug Category</b>                                 |    | <b>0.9783</b> | [(12) - (13)]/[(10) - (13)] |

|                     | PMPM             | Adjustment    |          |
|---------------------|------------------|---------------|----------|
| Inpatient Hospital  | \$ 72.81         | 1.0000        |          |
| Outpatient Hospital | \$ 77.92         | 1.0000        |          |
| Professional        | \$ 159.12        | 1.0000        |          |
| Other Medical       | \$ 31.20         | 1.0000        |          |
| Capitation          | \$ 0.54          | 1.4615        | (3)      |
| Prescription Drug   | \$ 109.90        | 0.9980        | (9)*(14) |
| <b>Total</b>        | <b>\$ 451.49</b> | <b>1.0001</b> |          |

PMPM weights are set equal projected PMPM without "other" adj.

### Exhibit 8 - Annual Trend Assumptions

|                            | 2018 PMPM | Weight | Utilization/1,000 | Unit Cost | Composite     |
|----------------------------|-----------|--------|-------------------|-----------|---------------|
| <b>Inpatient Hospital</b>  | \$ 64.70  | 16.6%  | 1.0600            | 1.0000    | 1.0600        |
| <b>Outpatient Hospital</b> | \$ 70.53  | 18.1%  | 1.0400            | 1.0100    | 1.0504        |
| <b>Professional</b>        | \$ 133.35 | 34.2%  | 1.0600            | 1.0300    | 1.0918        |
| <b>Other Medical</b>       | \$ 24.25  | 6.2%   | 1.0900            | 1.0400    | 1.1336        |
| <b>Capitation</b>          | \$ 0.78   | 0.2%   | 1.0000            | 1.0000    | 1.0000        |
| <b>Prescription Drug</b>   | \$ 96.74  | 24.8%  | 1.0000            | 1.0650    | 1.0650        |
| <b>Total</b>               | \$ 390.36 | 100.0% |                   |           | 1.0748        |
| <b>Proposed Trend</b>      |           |        |                   |           | <b>1.0751</b> |

### Exhibit 9 - Risk Adjustment

#### 2018

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 8,500         | 15.0%        | 0.3039 | 0.7352 | -\$1,712     | -\$0.20   |
| Bronze        | 23,271        | 41.1%        | 0.6527 | 1.1764 | -\$3,688,344 | -\$158.49 |
| Silver        | 14,062        | 24.9%        | 1.5123 | 1.1745 | -\$55,131    | -\$3.92   |
| Gold          | 7,134         | 12.6%        | 1.7616 | 1.0794 | \$289,819    | \$40.62   |
| Platinum      | 3,601         | 6.4%         | 2.6648 | 1.0803 | \$853,646    | \$237.06  |
| Total         | 56,568        | 100.0%       | 1.0819 | 1.0913 | -\$2,601,722 | -\$45.99  |

#### Statewide 2018

#### Statewide PMPM 2018

|                             |           |  |        |        |    |        |
|-----------------------------|-----------|--|--------|--------|----|--------|
| Catastrophic                | 9,196     |  | 0.3044 | 0.7349 | \$ | 97.07  |
| Individual Non-Catastrophic | 1,122,143 |  | 1.2892 | 1.0469 | \$ | 414.41 |

#### 2020

| Metallic Tier | Member Months | Distribution | PLRS   | ARF    | Transfer \$  | PMPM      |
|---------------|---------------|--------------|--------|--------|--------------|-----------|
| Catastrophic  | 9,387         | 16.8%        | 0.2697 | 0.5970 | -\$18,719    | -\$1.99   |
| Bronze        | 26,596        | 47.6%        | 0.5615 | 1.1441 | -\$3,942,345 | -\$148.23 |
| Silver        | 12,831        | 22.9%        | 1.4061 | 1.1375 | \$1,496,050  | \$116.60  |
| Gold          | 4,666         | 8.3%         | 1.8198 | 1.0737 | \$1,192,270  | \$255.52  |
| Platinum      | 2,451         | 4.4%         | 2.4598 | 1.0523 | \$1,217,942  | \$496.92  |
| Total         | 55,931        | 100.0%       | 0.8945 | 1.0409 | -\$54,801    | -\$0.98   |

#### Statewide 2020

#### Statewide PMPM 2020

|                             |           |  |        |        |    |        |
|-----------------------------|-----------|--|--------|--------|----|--------|
| Catastrophic                | 9,986     |  | 0.2741 | 0.5968 | \$ | 121.76 |
| Individual Non-Catastrophic | 1,127,169 |  | 1.1760 | 1.0532 | \$ | 490.96 |

#### Adjustment Factor applied to Market Adjusted Index Rate

| Projected Index Rate | Projected Transfer PMPM (Allowed basis) | Risk Adjustment User Fee | Adjustment Factor* |
|----------------------|---|--------------------------|--------------------|
| \$451.52             | -\$1.90                                 | \$0.18                   | 1.0046             |

\*Adjustment Factor = (\$451.52 - \$-1.9+ \$0.18) / \$451.52

# Exhibit 10A - Desired Incurred Claims Ratio

|                                       | 2020      |              |
|---------------------------------------|-----------|--------------|
|                                       | PMPM      | % of Revenue |
| Allowed Claims                        | \$ 452.66 |              |
| Paid/Allowed Ratio                    | 51.4%     |              |
| Paid Claims & Capitations             | \$ 232.87 |              |
| Risk Adjustment Transfer (Paid Basis) | \$ (0.98) |              |
| Reinsurance Recoveries (Paid Basis)   | \$ -      |              |
| Paid Claims & Capitations (Post-3Rs)  | \$ 233.85 | 73.2%        |
| Administrative Expense                | \$ 64.23  | 20.1%        |
| Broker Commissions & Fee              | \$ 2.05   | 0.6%         |
| Contribution to Reserve (Post-Tax)    | \$ 1.28   | 0.4%         |
| Investment Income Credit              | \$ (0.32) | -0.1%        |
| Risk Charge                           | \$ -      | 0.0%         |
| <u>Non-ACA Taxes &amp; Fees</u>       |           |              |
| State Premium Tax                     | \$ 6.39   | 2.0%         |
| State Assessment Fee                  | \$ 0.32   | 0.1%         |
| Reinsurance Program Fee               | \$ -      | 0.0%         |
| State Income Tax                      | \$ -      | 0.0%         |
| Federal Income Tax                    | \$ 0.32   | 0.1%         |
| <u>ACA Taxes &amp; Fees</u>           |           |              |
| Health Insurer Tax                    | \$ 8.09   | 2.5%         |
| Risk Adjustment User Fee              | \$ 0.18   | 0.1%         |
| Exchange Assessment Fee               | \$ 3.20   | 1.0%         |
| Federal Exchange User Fee             | \$ -      | 0.0%         |
| BlueRewards/Incentive Program         | \$ -      | 0.0%         |
| Total Revenue                         | \$ 319.58 | 100.0%       |
| Plan Level Admin Load Adjustment      | 1.3656    |              |
| Projected Member Months               | 55,931    |              |
| Average Members                       | 4,661     |              |
| % Total 2020                          | 100.0%    |              |



## Exhibit 10B - Federal MLR

Total 2020  
PMPM / %

### Traditional MLR Development

|                                      |    |        |
|--------------------------------------|----|--------|
| Paid Claims & Capitations (Post-3Rs) | \$ | 233.85 |
| Total Revenue                        | \$ | 319.58 |
| <hr/>                                |    |        |
| Traditional MLR (i.e. DICR)          |    | 73.2%  |

### Federal MLR Development

#### Numerator Adjustments

|  |    |        |
|--|----|--------|
| BlueRewards/Incentive Program                  | \$ | -      |
| Quality Improvement Expenses                   | \$ | 1.69   |
| Removal of non-care costs under MLR guidelines | \$ | (5.75) |

#### Denominator Adjustments

|                      |    |       |
|----------------------|----|-------|
| Non-ACA Taxes & Fees | \$ | 7.03  |
| ACA Taxes & Fees     | \$ | 11.47 |

|                         |    |        |
|-------------------------|----|--------|
| Federal MLR Numerator   | \$ | 229.79 |
| Federal MLR Denominator | \$ | 301.08 |
| <hr/>                   |    |        |
| Federal MLR             |    | 76.3%  |

|                         |        |
|-------------------------|--------|
| Projected Member Months | 55,931 |
|-------------------------|--------|

# **Exhibit 10B - Federal MLR (Combined SG & Individual)**

**Total 2020  
PMPM / %**

## **Traditional MLR Development**

|   |                  |
|---|------------------|
| <b>Paid Claims &amp; Capitations (Post-3Rs)</b> | <b>\$ 401.34</b> |
| <b>Total Revenue</b>                            | <b>\$ 526.14</b> |
| <b>Traditional MLR (i.e. DICR)</b>              | <b>76.3%</b>     |

## **Federal MLR Development**

### **Numerator Adjustments**

|   |                  |
|---|------------------|
| <b>BlueRewards/Incentive Program</b>                  | <b>\$ 0.35</b>   |
| <b>Quality Improvement Expenses</b>                   | <b>\$ 2.82</b>   |
| <b>Removal of non-care costs under MLR guidelines</b> | <b>\$ (5.99)</b> |

### **Denominator Adjustments**

|                                 |                 |
|---------------------------------|-----------------|
| <b>Non-ACA Taxes &amp; Fees</b> | <b>\$ 14.03</b> |
| <b>ACA Taxes &amp; Fees</b>     | <b>\$ 18.76</b> |

|                                |                  |
|--------------------------------|------------------|
| <b>Federal MLR Numerator</b>   | <b>\$ 398.52</b> |
| <b>Federal MLR Denominator</b> | <b>\$ 493.35</b> |
| <b>Federal MLR</b>             | <b>80.8%</b>     |

**Projected Member Months 515,825**

**Exhibit 11 - Plan Adjusted Index Rates**

| HIOS Plan ID   | Plan Name                                  | Plan Type | Metallic Tier | Exchange | Network     | Market Adjusted Index Rate | Internal Pricing AV | Network Factor | Induced Utilization | Non-EHB | Catastrophic Adjustment | Admin  | Plan Adjusted Index Rate |
|----------------|--|-----------|---------------|----------|-------------|----------------------------|---------------------|----------------|---------------------|---------|-------------------------|--------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | HMO       | SILVER        | On       | Open Access | \$453.60                   | 0.6387              | 0.9540         | 0.9526              | 1.0068  | 1.0000                  | 1.3656 | \$361.97                 |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | HMO       | GOLD          | On       | Open Access | \$453.60                   | 0.8216              | 0.9540         | 0.9940              | 1.0057  | 1.0000                  | 1.3656 | \$485.34                 |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | HMO       | CATASTROPHIC  | On       | Open Access | \$453.60                   | 0.5425              | 0.9540         | 0.9210              | 1.0134  | 0.4892                  | 1.3656 | \$146.36                 |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | HMO       | BRONZE        | On       | Open Access | \$453.60                   | 0.5862              | 0.9540         | 0.9210              | 1.0073  | 1.0000                  | 1.3656 | \$321.38                 |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | HMO       | PLATINUM      | On       | Open Access | \$453.60                   | 0.9124              | 0.9540         | 1.0590              | 1.0051  | 1.0000                  | 1.3656 | \$573.90                 |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | HMO       | BRONZE        | On       | Open Access | \$453.60                   | 0.5638              | 0.9540         | 0.9210              | 1.0075  | 1.0000                  | 1.3656 | \$309.16                 |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | HMO       | GOLD          | On       | Open Access | \$453.60                   | 0.7474              | 0.9540         | 0.9940              | 1.0060  | 1.0000                  | 1.3656 | \$441.64                 |

### Exhibit 12 - AV Values

| HIOS Plan ID   | Suffix | HIOS Plan Name                             | HHS AV |
|----------------|--------|--|--------|
| 86052DC0400001 | 01     | BlueChoice HMO Standard Silver \$4,000     | 0.7184 |
| 86052DC0400001 | 02     | BlueChoice HMO Standard Silver \$4,000 NAO | 1.0000 |
| 86052DC0400001 | 03     | BlueChoice HMO Standard Silver \$4,000 NAL | 0.7184 |
| 86052DC0400001 | 04     | BlueChoice HMO Standard Silver \$4,000 A   | 0.7391 |
| 86052DC0400001 | 05     | BlueChoice HMO Standard Silver \$4,000 B   | 0.8774 |
| 86052DC0400001 | 06     | BlueChoice HMO Standard Silver \$4,000 C   | 0.9395 |
| 86052DC0400002 | 01     | BlueChoice HMO Standard Gold \$500         | 0.8194 |
| 86052DC0400002 | 02     | BlueChoice HMO Standard Gold \$500 NAO     | 1.0000 |
| 86052DC0400002 | 03     | BlueChoice HMO Standard Gold \$500 NAL     | 0.8194 |
| 86052DC0400004 | 01     | BlueChoice HMO Young Adult \$8,150         | 0.6179 |
| 86052DC0400007 | 01     | BlueChoice HMO Standard Bronze \$7,250     | 0.6485 |
| 86052DC0400007 | 02     | BlueChoice HMO Standard Bronze \$7,250 NAO | 1.0000 |
| 86052DC0400007 | 03     | BlueChoice HMO Standard Bronze \$7,250 NAL | 0.6485 |
| 86052DC0400008 | 01     | BlueChoice HMO Standard Platinum \$0       | 0.8959 |
| 86052DC0400008 | 02     | BlueChoice HMO Standard Platinum \$0 NAO   | 1.0000 |
| 86052DC0400008 | 03     | BlueChoice HMO Standard Platinum \$0 NAL   | 0.8959 |
| 86052DC0400010 | 01     | BlueChoice HMO HSA Standard Bronze \$6,200 | 0.6313 |
| 86052DC0400010 | 02     | BlueChoice HMO Standard Bronze \$6,200 NAO | 1.0000 |
| 86052DC0400010 | 03     | BlueChoice HMO Standard Bronze \$6,200 NAL | 0.6313 |
| 86052DC0400011 | 01     | BlueChoice HMO HSA Gold \$1,500            | 0.7905 |
| 86052DC0400011 | 02     | BlueChoice HMO Gold \$1,500 NAO            | 1.0000 |
| 86052DC0400011 | 03     | BlueChoice HMO Gold \$1,500 NAL            | 0.7905 |

### Exhibit 13 - Age Calibration

| Age Curve Calibration |                 |          |                |        |               |
|-----------------------|-----------------|----------|----------------|--------|---------------|
|                       | Period          | Cohort   | Rating Factor* | Weight | Average Age** |
| (1)                   | Rating Period   | Existing | 1.0502         | 86.5%  |               |
|                       |                 | New      | 0.9751         | 11.8%  |               |
|                       |                 | Transfer | 1.0296         | 1.7%   |               |
| (2)                   | Rating Period   | All      | 1.0410         | 100.0% | 41.7          |
| (3)                   | Nearest Rounded | All      | 1.0530         |        | 42.0          |
| (4)                   | Calibration***  | All      | 1.0115         |        |               |

(3)/(2)

| Premium Rate Demonstration |  |  |                  |
|----------------------------|--|--|------------------|
|                            | HIOS Plan Name                                       | BlueChoice HMO Standard Silver \$4,000 |                  |
| (5)                        | Plan Adjusted Index Rate                             |  | \$361.97         |
| (6)                        | Calibration  |  | 1.0115 (4)       |
| (7)                        | Calibrated Rate                                      |  | \$366.15 (5)*(6) |
| (8)                        | Age 40 Factor/Rounded Avg Age Factor = (0.975/1.053) |  | 0.9259           |
| (9)                        | Age 40 Premium Rate                                  |  | \$339.03 (7)*(8) |

\*Rating factors by cohort for the rating period are based on average factors for each cohort from the current year to date. Weights are based on expected distribution of member months.

\*\*The rating period average age is determined from the member weighted average factor. Specifically it is linearly interpolated using the two age factors on the curve surrounding the member weighted average factor.

\*\*\*Applied uniformly to all plans

# Exhibit 14 - Age Factors

| Age  | Factor |
|------|--------|
| <=14 | 0.654  |
| 15   | 0.654  |
| 16   | 0.654  |
| 17   | 0.654  |
| 18   | 0.654  |
| 19   | 0.654  |
| 20   | 0.654  |
| 21   | 0.727  |
| 22   | 0.727  |
| 23   | 0.727  |
| 24   | 0.727  |
| 25   | 0.727  |
| 26   | 0.727  |
| 27   | 0.727  |
| 28   | 0.744  |
| 29   | 0.760  |
| 30   | 0.779  |
| 31   | 0.799  |
| 32   | 0.817  |
| 33   | 0.836  |
| 34   | 0.856  |
| 35   | 0.876  |
| 36   | 0.896  |
| 37   | 0.916  |
| 38   | 0.927  |
| 39   | 0.938  |
| 40   | 0.975  |
| 41   | 1.013  |
| 42   | 1.053  |
| 43   | 1.094  |
| 44   | 1.137  |
| 45   | 1.181  |
| 46   | 1.227  |
| 47   | 1.275  |
| 48   | 1.325  |
| 49   | 1.377  |
| 50   | 1.431  |
| 51   | 1.487  |
| 52   | 1.545  |
| 53   | 1.605  |
| 54   | 1.668  |
| 55   | 1.733  |
| 56   | 1.801  |
| 57   | 1.871  |
| 58   | 1.944  |
| 59   | 2.020  |
| 60   | 2.099  |
| 61   | 2.181  |
| 62   | 2.181  |
| 63   | 2.181  |
| 64+  | 2.181  |

**Exhibit 15 - Induced Utilization Factors**

| CDH/Non-CDH | Projected Member Months | Relative to HSA/HRA | Relative to Average |
|-------------|-------------------------|---------------------|---------------------|
| HSA/HRA     | 153,085                 | 1.0000              | 1.0000              |
| Non-CDH     | 362,740                 | 1.0000              | 1.0000              |
|             | <b>515,825</b>          | <b>1.0000</b>       |                     |

| Full HIOS Plan ID | Base HIOS Plan ID | Plan Name                                  | Metal Level  | Relative to Bronze | Projected Member Months | Relative to Average (Pool) | Relative to Average (CSR) |
|-------------------|-------------------|--|--------------|--------------------|-------------------------|----------------------------|---------------------------|
| 86052DC040000101  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER       | 1.0300             | 11,351                  | 0.9480                     | 0.9526                    |
| 86052DC040000102  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAO | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000103  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 NAL | SILVER       | 1.0300             | -                       | 0.9480                     | 0.9526                    |
| 86052DC040000104  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 A   | SILVER       | 1.0300             | 948                     | 0.9480                     | 0.9526                    |
| 86052DC040000105  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 B   | SILVER       | 1.1500             | 209                     | 1.0590                     | 0.9526                    |
| 86052DC040000106  | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000 C   | SILVER       | 1.1500             | 323                     | 1.0590                     | 0.9526                    |
| 86052DC040000201  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD         | 1.0800             | 3,134                   | 0.9940                     | 0.9940                    |
| 86052DC040000202  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAO     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000203  | 86052DC0400002    | BlueChoice HMO Standard Gold \$500 NAL     | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040000401  | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC | 1.0000             | 9,387                   | 0.9210                     | 0.9210                    |
| 86052DC040000701  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE       | 1.0000             | 8,877                   | 0.9210                     | 0.9210                    |
| 86052DC040000702  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAO | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000703  | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040000801  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM     | 1.1500             | 2,451                   | 1.0590                     | 1.0590                    |
| 86052DC040000802  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAO   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040000803  | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0 NAL   | PLATINUM     | 1.1500             | -                       | 1.0590                     | 1.0590                    |
| 86052DC040001001  | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE       | 1.0000             | 17,689                  | 0.9210                     | 0.9210                    |
| 86052DC040001002  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAO | BRONZE       | 1.0000             | 30                      | 0.9210                     | 0.9210                    |
| 86052DC040001003  | 86052DC0400010    | BlueChoice HMO Standard Bronze \$6,200 NAL | BRONZE       | 1.0000             | -                       | 0.9210                     | 0.9210                    |
| 86052DC040001101  | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD         | 1.0800             | 1,532                   | 0.9940                     | 0.9940                    |
| 86052DC040001102  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAO            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |
| 86052DC040001103  | 86052DC0400011    | BlueChoice HMO Gold \$1,500 NAL            | GOLD         | 1.0800             | -                       | 0.9940                     | 0.9940                    |

## Appendix - Network Factors

| Network Type          | Proposed Products Using This Network | Description   |
|-----------------------|--------------------------------------|---|
| Lock In / Referral    | BlueChoice HMO Referral              | Referrals needed for Specialist Care, No Out of Network Coverage.   |
| Open Access           | BlueChoice HMO                       | No Referrals needed for Specialist, No Out of Network Coverage.   |
| Open Access Opt-Out   | BlueChoice Plus Opt-Out              | No Referrals needed for Specialist, Out of Network Benefits pay up to In Network allowance, Member may be balance billed.           |
| Open Access Plus      | BlueChoice Plus                      | No Referrals needed, Out of Network allowances pay up to Regional Preferred Network (RPN) allowance.                                |
| Open Access Advantage | BlueChoice Advantage                 | No Referrals needed, Out of Network allowance pay up to RPN allowance, Out of Area BlueCard considered In Network for cost-sharing. |

| Network Type          | Projected Member Months | Relative to Lock In / Referral | Relative to Average |
|-----------------------|-------------------------|--------------------------------|---------------------|
| Lock In / Referral    | 57,470                  | 1.0000                         | 0.9084              |
| Open Access           | 133,984                 | 1.0500                         | 0.9539              |
| Open Access Opt-Out   | 43,063                  | 1.0612                         | 0.9640              |
| Open Access Plus      | 65,472                  | 1.0724                         | 0.9742              |
| Open Access Advantage | 215,836                 | 1.1757                         | 1.0680              |
| <b>Total</b>          | <b>515,825</b>          | <b>1.1008</b>                  |                     |

**Factors are applied as plan level adjustments**



## Appendix - Catastrophic Plans Adjustment

### Step 1: Normalize Experience Period Catastrophic PMPM

|                          | Catastrophic    | Non-Catastrophic | Total (single risk pool) |
|--------------------------|-----------------|------------------|--------------------------|
| Member Months            | 8,314           | 47,600           | 55,914                   |
| Distribution             | 14.9%           | 85.1%            |                          |
| Completed Allowed        | \$816,637       | \$19,706,432     | \$20,523,069             |
| Allowed PMPM             | \$98.22         | \$414.00         | \$367.05                 |
| Age Rating Factor        | 0.7396          | 1.1694           | 1.1055                   |
| Induced Demand Factor    | 1.0000          | 1.0331           | 1.0282                   |
| Actuarial Value          | 1.0000          | 1.0000           | 1.0000                   |
| <b>Net Factor</b>        | <b>0.7396</b>   | <b>1.2081</b>    | <b>1.1384</b>            |
| <b>Normalized Factor</b> | <b>1.5393</b>   | <b>0.9423</b>    | <b>1.0000</b>            |
| <b>Normalized PMPM</b>   | <b>\$151.20</b> | <b>\$390.13</b>  | <b>\$367.05</b>          |

### Step 2: Apply Credibility to Normalized Catastrophic PMPM

|     |  |          |                       |
|-----|--|----------|-----------------------|
| (1) | Normalized Catastrophic PMPM             | \$151.20 |                       |
| (2) | Member Months                            | 8,314    |                       |
| (3) | Full Credibility (Member Months)         | 24,000   |                       |
| (4) | Credibility                              | 58.9%    |                       |
| (5) | Normalized Non-Catastrophic PMPM         | \$390.13 |                       |
| (6) | Morbidity Adjustment*                    | 0.5642   | (a)/(b)               |
| (7) | Morbidity-Adjusted Non-Catastrophic PMPM | \$220.11 | (5)*(6)               |
| (8) | Cred-Adjusted Catastrophic PMPM          | \$179.55 | (1)*(4)+(1 - (4))*(7) |

### Step 3: Ratio of Credibility-Normalized Catastrophic PMPM vs. Single Risk Pool

|      |                            |               |         |
|------|----------------------------|---------------|---------|
| (9)  | Normalized SRP PMPM        | \$367.05      |         |
| (10) | <b>Catastrophic Factor</b> | <b>0.4892</b> | (8)/(9) |

### Total ACA Individual Market Experience (201801-201812 Paid Through: 201902)

| Metal Level                   | Member Months    | Normalized Allowed PMPM |     |
|-------------------------------|------------------|-------------------------|-----|
| Catastrophic                  | 99,687           | \$140.87                | (a) |
| Bronze                        | 407,776          | \$137.31                |     |
| Silver                        | 691,450          | \$287.68                |     |
| Gold                          | 549,705          | \$288.97                |     |
| Platinum                      | 153,979          | \$236.29                |     |
| <b>Non-Catastrophic Total</b> | <b>1,802,910</b> | <b>\$249.68</b>         | (b) |

\*The Morbidity Adjustment is the ratio of Catastrophic Normalized Allowed PMPM to the Non-Catastrophic Normalized Allowed PMPM for our total Individual ACA Market Experience.

**Appendix - Experience Period to Rating Period Plan Mappings**

| Exp. Period            |  | Current Period         |  | Rating Period          |  |
|------------------------|--|------------------------|--|------------------------|--|
| 2018 Base HIOS Plan ID | 2018 HIOS Plan Name                        | 2019 Base HIOS Plan ID | 2019 HIOS Plan Name                        | 2020 Base HIOS Plan ID | 2020 HIOS Plan Name                        |
| 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$3,500     | 86052DC0400001         | BlueChoice HMO Standard Silver \$4,000     |
| 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         | 86052DC0400002         | BlueChoice HMO Standard Gold \$500         |
| 86052DC0400004         | BlueChoice HMO Young Adult \$7,350         | 86052DC0400004         | BlueChoice HMO Young Adult \$7,900         | 86052DC0400004         | BlueChoice HMO Young Adult \$8,150         |
| 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,000     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$6,650     | 86052DC0400007         | BlueChoice HMO Standard Bronze \$7,250     |
| 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       | 86052DC0400008         | BlueChoice HMO Standard Platinum \$0       |
| 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 | 86052DC0400010         | BlueChoice HMO HSA Standard Bronze \$6,200 |
| 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            | 86052DC0400011         | BlueChoice HMO HSA Gold \$1,500            |

Appendix - Annual Rate Change Based on Mapping

|           |                                |              |              |               |
|-----------|--------------------------------|--------------|--------------|---------------|
| Base Rate | Catastrophic/Avg Renewal       | 658          | 678          | -12.7%        |
| Base Rate | Bronze Members/Avg Renewal     | 2,109        | 2,020        | -9.0%         |
| Base Rate | Silver Members/Avg Renewal     | 1,151        | 1,036        | -10.8%        |
| Base Rate | Gold Members/Avg Renewal       | 478          | 405          | -9.8%         |
| Base Rate | Platinum Members/Avg Renewal   | 262          | 220          | -7.3%         |
| Base Rate | <b>All Members/Avg Renewal</b> | <b>4,658</b> | <b>4,359</b> | <b>-10.0%</b> |
| Base Rate | <b>Minimum Renewal</b>         |              |              | <b>-12.7%</b> |
| Base Rate | <b>Maximum Renewal</b>         |              |              | <b>-7.3%</b>  |

| 2019 HIOS Plan ID | 2019 HIOS Plan Name                        | 2019 Metal Level | 2019 Marketplace Indicator | 2020 HIOS Plan ID | 2020 HIOS Plan Name                        | 2020 Metal Level | 2020 Marketplace Indicator | Current Month Member Count | Projected 2019 EOY Members | 2019 Base Rate | 2020 Base Rate | Annual Rate Change |
|-------------------|--|------------------|----------------------------|-------------------|--|------------------|----------------------------|----------------------------|----------------------------|----------------|----------------|--------------------|
| 86052DC0400001    | BlueChoice HMO Standard Silver \$3,500     | SILVER           | On                         | 86052DC0400001    | BlueChoice HMO Standard Silver \$4,000     | SILVER           | On                         | 1,151                      | 1,036                      | \$389.65       | \$347.72       | -10.8%             |
| 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 86052DC0400002    | BlueChoice HMO Standard Gold \$500         | GOLD             | On                         | 356                        | 289                        | \$519.49       | \$466.23       | -10.3%             |
| 86052DC0400004    | BlueChoice HMO Young Adult \$7,900         | CATASTROPHIC     | On                         | 86052DC0400004    | BlueChoice HMO Young Adult \$8,150         | CATASTROPHIC     | On                         | 658                        | 678                        | \$161.03       | \$140.60       | -12.7%             |
| 86052DC0400007    | BlueChoice HMO Standard Bronze \$6,650     | BRONZE           | On                         | 86052DC0400007    | BlueChoice HMO Standard Bronze \$7,250     | BRONZE           | On                         | 855                        | 745                        | \$343.43       | \$308.73       | -10.1%             |
| 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 86052DC0400008    | BlueChoice HMO Standard Platinum \$0       | PLATINUM         | On                         | 262                        | 220                        | \$594.93       | \$551.31       | -7.3%              |
| 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 86052DC0400010    | BlueChoice HMO HSA Standard Bronze \$6,200 | BRONZE           | On                         | 1,254                      | 1,275                      | \$323.92       | \$296.99       | -8.3%              |
| 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 86052DC0400011    | BlueChoice HMO HSA Gold \$1,500            | GOLD             | On                         | 122                        | 116                        | \$465.29       | \$424.25       | -8.8%              |

### Appendix - Maximum Rate Renewal

|                   | 2019            | 2020            | % Change    |
|-------------------|-----------------|-----------------|-------------|
| Base Rate         | \$594.93        | \$551.31        | -7.3%       |
| Age Factor        | 0.654           | 0.727           | 11.2%       |
| Geographic Factor | 1.000           | 1.000           | 0.0%        |
| Tobacco Factor    | 1.000           | 1.000           | 0.0%        |
| <b>Total</b>      | <b>\$389.08</b> | <b>\$400.80</b> | <b>3.0%</b> |

|                      | BlueChoice HMO<br>Standard Platinum | BlueChoice HMO<br>Standard Platinum |
|----------------------|-------------------------------------|-------------------------------------|
| Base Rate/Product(s) | \$0                                 | \$0                                 |
| Age Change           | 20                                  | 21                                  |
| Geo Change*          | N/A                                 | N/A                                 |
| Tobacco Change**     | N/A                                 | N/A                                 |

\*we did not geo rate

\*\*we did not tobacco rate

Appendix - Federal Required \$1.00 minimum for abortion

| HIOS Plan ID   | Plan Name                                  | Exchange | Minimum Charge | Lowest Age Factor | Base Premium | Age Calibration | Plan Adjusted Index Rate | Admin  | Catastrophic Factor | Network Factor | Non-EHB | Induced Utilization | Benefit | Market Adjusted Index Rate | Exchange User Fee | Risk Adjustment Factor | Index Rate | \$1 Check | Final Rate, above \$1.00 |
|----------------|--|----------|----------------|-------------------|--------------|-----------------|--------------------------|--------|---------------------|----------------|---------|---------------------|---------|----------------------------|-------------------|------------------------|------------|-----------|--------------------------|
| 86052DC0400001 | BlueChoice HMO Standard Silver \$4,000     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9526              | 0.6387  | \$2.01                     | 1.0000            | 1.0046                 | \$2.00     | \$1.00    | \$2.00                   |
| 86052DC0400002 | BlueChoice HMO Standard Gold \$500         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.8216  | \$1.49                     | 1.0000            | 1.0046                 | \$1.48     | \$0.99    | \$1.49                   |
| 86052DC0400004 | BlueChoice HMO Young Adult \$8,150         | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 0.4892              | 0.9540         | 1.0000  | 0.9210              | 0.5425  | \$4.99                     | 1.0000            | 1.0046                 | \$4.97     | \$1.00    | \$4.97                   |
| 86052DC0400007 | BlueChoice HMO Standard Bronze \$7,250     | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5862  | \$2.26                     | 1.0000            | 1.0046                 | \$2.25     | \$1.00    | \$2.25                   |
| 86052DC0400008 | BlueChoice HMO Standard Platinum \$0       | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 1.0590              | 0.9124  | \$1.26                     | 1.0000            | 1.0046                 | \$1.25     | \$0.99    | \$1.26                   |
| 86052DC0400010 | BlueChoice HMO HSA Standard Bronze \$6,200 | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9210              | 0.5638  | \$2.35                     | 1.0000            | 1.0046                 | \$2.34     | \$1.00    | \$2.34                   |
| 86052DC0400011 | BlueChoice HMO HSA Gold \$1,500            | On       | \$1.00         | 0.654             | \$1.53       | 0.9606          | \$1.59                   | 1.3656 | 1.0000              | 0.9540         | 1.0000  | 0.9940              | 0.7474  | \$1.64                     | 1.0000            | 1.0046                 | \$1.63     | \$1.00    | \$1.63                   |

## Appendix - Form Numbers

### Form Numbers Associated With This Filing:

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This list contains the applicable forms for the new products. Some of these are also used with other products, which may be open or closed to new sales. These forms are used with products that are both grandfathered and non-grandfathered.

The SERFF Tracking # for the corresponding form filing On Exchange is as follows:

CFBC-131941556

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### ON-Exchange

#### BlueChoice HMO

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO HSA STD/BRZ 6200 (1/20)  
DC/CFBC/EXC/HMO HSA/GOLD 1500 (1/20)  
DC/CFBC/EXC/HMO STD/BRZ 7250 (1/20)  
DC/CFBC/EXC/HMO STD/GOLD 500 (1/20)  
DC/CFBC/EXC/HMO STD/PLAT 0 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 A (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 B (1/20)  
DC/CFBC/EXC/HMO STD/SIL 4000 C (1/20)  
DC/CFBC/EXC/HMO STD/NATAMER 0 (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

#### BlueChoice Young Adult

DC/CFBC/EXC/HMO/IEA (R. 1/20)  
DC/CFBC/DOL APPEAL (R. 1/17)  
DC/CFBC/EXC/HMO/DOCS (R. 1/20)  
DC/CFBC/EXC/HMO/NATAMER SOB (1/20)  
DC/CFBC/EXC/HMO/ YA 8150 SOB (1/20)  
DC/CFBC/EXC/NATAMER (1/14)  
DC/CFBC/MEM/BLCRD (R. 6/18)  
DC/CFBC/CD/AUTH AMEND/HMO (1/20)  
DC/CFBC/PT PROTECT (9/10)

## Appendix - Experience by Service Category

| Month  | Members | Service Category   | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|--------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Inpatient Hospital | \$2,321,588      | \$0          | Admits           | 162         |
| 201602 | 44,642  | Inpatient Hospital | \$2,567,657      | \$0          | Admits           | 176         |
| 201603 | 44,852  | Inpatient Hospital | \$2,732,545      | \$0          | Admits           | 214         |
| 201604 | 44,745  | Inpatient Hospital | \$2,630,914      | \$0          | Admits           | 168         |
| 201605 | 44,584  | Inpatient Hospital | \$2,216,761      | \$0          | Admits           | 166         |
| 201606 | 44,519  | Inpatient Hospital | \$2,328,635      | \$0          | Admits           | 177         |
| 201607 | 44,235  | Inpatient Hospital | \$2,303,125      | \$0          | Admits           | 169         |
| 201608 | 43,933  | Inpatient Hospital | \$2,320,198      | \$0          | Admits           | 188         |
| 201609 | 43,584  | Inpatient Hospital | \$2,433,006      | \$0          | Admits           | 196         |
| 201610 | 43,338  | Inpatient Hospital | \$2,557,933      | \$0          | Admits           | 188         |
| 201611 | 43,046  | Inpatient Hospital | \$2,873,453      | \$0          | Admits           | 164         |
| 201612 | 42,186  | Inpatient Hospital | \$2,372,606      | \$0          | Admits           | 172         |
| 201701 | 41,362  | Inpatient Hospital | \$3,379,183      | \$0          | Admits           | 192         |
| 201702 | 40,960  | Inpatient Hospital | \$1,951,018      | \$0          | Admits           | 145         |
| 201703 | 40,733  | Inpatient Hospital | \$3,152,883      | \$0          | Admits           | 152         |
| 201704 | 40,448  | Inpatient Hospital | \$2,103,924      | \$0          | Admits           | 124         |
| 201705 | 40,383  | Inpatient Hospital | \$2,122,786      | \$0          | Admits           | 124         |
| 201706 | 40,116  | Inpatient Hospital | \$2,876,038      | \$0          | Admits           | 208         |
| 201707 | 39,855  | Inpatient Hospital | \$2,485,595      | \$0          | Admits           | 190         |
| 201708 | 39,736  | Inpatient Hospital | \$3,079,700      | \$0          | Admits           | 173         |
| 201709 | 39,764  | Inpatient Hospital | \$2,641,304      | \$0          | Admits           | 175         |
| 201710 | 39,827  | Inpatient Hospital | \$1,962,406      | \$0          | Admits           | 197         |
| 201711 | 39,597  | Inpatient Hospital | \$1,604,559      | \$0          | Admits           | 125         |
| 201712 | 39,346  | Inpatient Hospital | \$2,323,500      | \$0          | Admits           | 176         |
| 201801 | 39,818  | Inpatient Hospital | \$2,806,835      | \$0          | Admits           | 218         |
| 201802 | 39,872  | Inpatient Hospital | \$2,357,579      | \$0          | Admits           | 143         |
| 201803 | 39,866  | Inpatient Hospital | \$2,496,053      | \$0          | Admits           | 143         |
| 201804 | 39,781  | Inpatient Hospital | \$2,454,458      | \$0          | Admits           | 209         |
| 201805 | 39,765  | Inpatient Hospital | \$2,117,319      | \$0          | Admits           | 178         |
| 201806 | 40,182  | Inpatient Hospital | \$2,003,741      | \$0          | Admits           | 158         |
| 201807 | 40,386  | Inpatient Hospital | \$3,480,868      | \$0          | Admits           | 193         |
| 201808 | 40,701  | Inpatient Hospital | \$2,379,598      | \$0          | Admits           | 161         |
| 201809 | 40,326  | Inpatient Hospital | \$2,513,338      | \$0          | Admits           | 165         |
| 201810 | 40,569  | Inpatient Hospital | \$2,448,763      | \$0          | Admits           | 162         |
| 201811 | 40,509  | Inpatient Hospital | \$3,465,332      | \$0          | Admits           | 184         |
| 201812 | 41,435  | Inpatient Hospital | \$2,739,415      | \$0          | Admits           | 168         |
| 201901 | 42,431  | Inpatient Hospital | \$2,292,739      | \$0          | Admits           | 194         |
| 201902 | 42,697  | Inpatient Hospital | \$1,468,548      | \$0          | Admits           | 153         |

## Appendix - Experience by Service Category

| Month  | Members | Service Category    | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|---------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Outpatient Hospital | \$2,295,558      | \$0          | Visits           | 1,784       |
| 201602 | 44,642  | Outpatient Hospital | \$2,692,865      | \$0          | Visits           | 1,873       |
| 201603 | 44,852  | Outpatient Hospital | \$2,558,059      | \$0          | Visits           | 2,080       |
| 201604 | 44,745  | Outpatient Hospital | \$2,551,668      | \$0          | Visits           | 2,009       |
| 201605 | 44,584  | Outpatient Hospital | \$2,884,607      | \$0          | Visits           | 2,026       |
| 201606 | 44,519  | Outpatient Hospital | \$2,862,456      | \$0          | Visits           | 2,026       |
| 201607 | 44,235  | Outpatient Hospital | \$2,636,627      | \$0          | Visits           | 1,843       |
| 201608 | 43,933  | Outpatient Hospital | \$2,900,115      | \$0          | Visits           | 2,048       |
| 201609 | 43,584  | Outpatient Hospital | \$2,356,373      | \$0          | Visits           | 1,852       |
| 201610 | 43,338  | Outpatient Hospital | \$2,609,971      | \$0          | Visits           | 1,952       |
| 201611 | 43,046  | Outpatient Hospital | \$2,682,055      | \$0          | Visits           | 1,867       |
| 201612 | 42,186  | Outpatient Hospital | \$2,460,260      | \$0          | Visits           | 1,818       |
| 201701 | 41,362  | Outpatient Hospital | \$2,251,288      | \$0          | Visits           | 1,794       |
| 201702 | 40,960  | Outpatient Hospital | \$2,392,887      | \$0          | Visits           | 1,720       |
| 201703 | 40,733  | Outpatient Hospital | \$2,792,857      | \$0          | Visits           | 1,940       |
| 201704 | 40,448  | Outpatient Hospital | \$2,881,785      | \$0          | Visits           | 1,899       |
| 201705 | 40,383  | Outpatient Hospital | \$2,891,714      | \$0          | Visits           | 1,900       |
| 201706 | 40,116  | Outpatient Hospital | \$2,838,085      | \$0          | Visits           | 1,881       |
| 201707 | 39,855  | Outpatient Hospital | \$2,492,592      | \$0          | Visits           | 1,795       |
| 201708 | 39,736  | Outpatient Hospital | \$2,689,556      | \$0          | Visits           | 1,990       |
| 201709 | 39,764  | Outpatient Hospital | \$2,265,887      | \$0          | Visits           | 1,797       |
| 201710 | 39,827  | Outpatient Hospital | \$2,799,866      | \$0          | Visits           | 2,049       |
| 201711 | 39,597  | Outpatient Hospital | \$2,568,634      | \$0          | Visits           | 1,967       |
| 201712 | 39,346  | Outpatient Hospital | \$2,476,526      | \$0          | Visits           | 1,933       |
| 201801 | 39,818  | Outpatient Hospital | \$2,761,264      | \$0          | Visits           | 2,130       |
| 201802 | 39,872  | Outpatient Hospital | \$2,533,354      | \$0          | Visits           | 1,889       |
| 201803 | 39,866  | Outpatient Hospital | \$2,897,596      | \$0          | Visits           | 1,958       |
| 201804 | 39,781  | Outpatient Hospital | \$2,827,744      | \$0          | Visits           | 1,946       |
| 201805 | 39,765  | Outpatient Hospital | \$2,660,529      | \$0          | Visits           | 2,018       |
| 201806 | 40,182  | Outpatient Hospital | \$2,828,813      | \$0          | Visits           | 1,985       |
| 201807 | 40,386  | Outpatient Hospital | \$2,709,745      | \$0          | Visits           | 1,892       |
| 201808 | 40,701  | Outpatient Hospital | \$2,779,233      | \$0          | Visits           | 1,999       |
| 201809 | 40,326  | Outpatient Hospital | \$2,396,595      | \$0          | Visits           | 1,829       |
| 201810 | 40,569  | Outpatient Hospital | \$3,467,639      | \$0          | Visits           | 2,120       |
| 201811 | 40,509  | Outpatient Hospital | \$2,927,080      | \$0          | Visits           | 2,008       |
| 201812 | 41,435  | Outpatient Hospital | \$3,292,331      | \$0          | Visits           | 2,140       |
| 201901 | 42,431  | Outpatient Hospital | \$3,783,335      | \$0          | Visits           | 2,425       |
| 201902 | 42,697  | Outpatient Hospital | \$2,912,461      | \$0          | Visits           | 2,460       |



## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Professional     | \$4,425,723      | \$0          | Visits           | 28,913      |
| 201602 | 44,642  | Professional     | \$4,719,168      | \$0          | Visits           | 31,938      |
| 201603 | 44,852  | Professional     | \$5,305,861      | \$0          | Visits           | 35,821      |
| 201604 | 44,745  | Professional     | \$4,939,434      | \$0          | Visits           | 33,378      |
| 201605 | 44,584  | Professional     | \$4,994,091      | \$0          | Visits           | 32,674      |
| 201606 | 44,519  | Professional     | \$5,230,281      | \$0          | Visits           | 33,549      |
| 201607 | 44,235  | Professional     | \$4,523,441      | \$0          | Visits           | 30,173      |
| 201608 | 43,933  | Professional     | \$5,245,862      | \$0          | Visits           | 33,944      |
| 201609 | 43,584  | Professional     | \$4,884,312      | \$0          | Visits           | 32,170      |
| 201610 | 43,338  | Professional     | \$4,859,563      | \$0          | Visits           | 33,492      |
| 201611 | 43,046  | Professional     | \$4,804,026      | \$0          | Visits           | 32,352      |
| 201612 | 42,186  | Professional     | \$4,610,788      | \$0          | Visits           | 30,630      |
| 201701 | 41,362  | Professional     | \$4,827,579      | \$0          | Visits           | 30,897      |
| 201702 | 40,960  | Professional     | \$4,549,729      | \$0          | Visits           | 29,596      |
| 201703 | 40,733  | Professional     | \$5,077,721      | \$0          | Visits           | 33,327      |
| 201704 | 40,448  | Professional     | \$4,490,134      | \$0          | Visits           | 29,117      |
| 201705 | 40,383  | Professional     | \$5,003,296      | \$0          | Visits           | 32,281      |
| 201706 | 40,116  | Professional     | \$4,973,427      | \$0          | Visits           | 31,502      |
| 201707 | 39,855  | Professional     | \$4,606,423      | \$0          | Visits           | 29,050      |
| 201708 | 39,736  | Professional     | \$5,150,369      | \$0          | Visits           | 32,636      |
| 201709 | 39,764  | Professional     | \$4,951,096      | \$0          | Visits           | 30,792      |
| 201710 | 39,827  | Professional     | \$5,291,656      | \$0          | Visits           | 34,469      |
| 201711 | 39,597  | Professional     | \$4,966,044      | \$0          | Visits           | 32,061      |
| 201712 | 39,346  | Professional     | \$4,669,811      | \$0          | Visits           | 28,975      |
| 201801 | 39,818  | Professional     | \$5,735,298      | \$0          | Visits           | 34,122      |
| 201802 | 39,872  | Professional     | \$4,962,050      | \$0          | Visits           | 31,051      |
| 201803 | 39,866  | Professional     | \$5,316,982      | \$0          | Visits           | 32,414      |
| 201804 | 39,781  | Professional     | \$5,134,744      | \$0          | Visits           | 32,111      |
| 201805 | 39,765  | Professional     | \$5,381,443      | \$0          | Visits           | 33,356      |
| 201806 | 40,182  | Professional     | \$5,453,414      | \$0          | Visits           | 32,032      |
| 201807 | 40,386  | Professional     | \$5,155,231      | \$0          | Visits           | 31,605      |
| 201808 | 40,701  | Professional     | \$5,578,213      | \$0          | Visits           | 34,565      |
| 201809 | 40,326  | Professional     | \$4,904,502      | \$0          | Visits           | 31,619      |
| 201810 | 40,569  | Professional     | \$6,053,980      | \$0          | Visits           | 39,652      |
| 201811 | 40,509  | Professional     | \$5,540,079      | \$0          | Visits           | 35,372      |
| 201812 | 41,435  | Professional     | \$5,219,341      | \$0          | Visits           | 32,949      |
| 201901 | 42,431  | Professional     | \$6,448,431      | \$0          | Visits           | 41,606      |
| 201902 | 42,697  | Professional     | \$7,782,063      | \$0          | Visits           | 50,775      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Other Medical    | \$619,982        | \$0          | Services         | 3,865       |
| 201602 | 44,642  | Other Medical    | \$717,504        | \$0          | Services         | 4,240       |
| 201603 | 44,852  | Other Medical    | \$859,390        | \$0          | Services         | 5,072       |
| 201604 | 44,745  | Other Medical    | \$722,231        | \$0          | Services         | 4,421       |
| 201605 | 44,584  | Other Medical    | \$817,737        | \$0          | Services         | 4,275       |
| 201606 | 44,519  | Other Medical    | \$841,444        | \$0          | Services         | 4,880       |
| 201607 | 44,235  | Other Medical    | \$744,364        | \$0          | Services         | 4,406       |
| 201608 | 43,933  | Other Medical    | \$755,840        | \$0          | Services         | 5,288       |
| 201609 | 43,584  | Other Medical    | \$749,511        | \$0          | Services         | 3,735       |
| 201610 | 43,338  | Other Medical    | \$696,548        | \$0          | Services         | 4,062       |
| 201611 | 43,046  | Other Medical    | \$744,134        | \$0          | Services         | 3,706       |
| 201612 | 42,186  | Other Medical    | \$853,669        | \$0          | Services         | 3,734       |
| 201701 | 41,362  | Other Medical    | \$624,521        | \$0          | Services         | 3,407       |
| 201702 | 40,960  | Other Medical    | \$797,804        | \$0          | Services         | 3,467       |
| 201703 | 40,733  | Other Medical    | \$818,480        | \$0          | Services         | 3,755       |
| 201704 | 40,448  | Other Medical    | \$736,727        | \$0          | Services         | 3,652       |
| 201705 | 40,383  | Other Medical    | \$751,800        | \$0          | Services         | 3,461       |
| 201706 | 40,116  | Other Medical    | \$753,383        | \$0          | Services         | 3,653       |
| 201707 | 39,855  | Other Medical    | \$761,707        | \$0          | Services         | 3,381       |
| 201708 | 39,736  | Other Medical    | \$827,086        | \$0          | Services         | 4,694       |
| 201709 | 39,764  | Other Medical    | \$751,076        | \$0          | Services         | 3,821       |
| 201710 | 39,827  | Other Medical    | \$890,925        | \$0          | Services         | 4,401       |
| 201711 | 39,597  | Other Medical    | \$809,479        | \$0          | Services         | 4,221       |
| 201712 | 39,346  | Other Medical    | \$809,730        | \$0          | Services         | 4,405       |
| 201801 | 39,818  | Other Medical    | \$911,275        | \$0          | Services         | 4,471       |
| 201802 | 39,872  | Other Medical    | \$811,785        | \$0          | Services         | 4,170       |
| 201803 | 39,866  | Other Medical    | \$954,920        | \$0          | Services         | 4,595       |
| 201804 | 39,781  | Other Medical    | \$875,999        | \$0          | Services         | 4,843       |
| 201805 | 39,765  | Other Medical    | \$922,637        | \$0          | Services         | 3,991       |
| 201806 | 40,182  | Other Medical    | \$1,002,856      | \$0          | Services         | 4,446       |
| 201807 | 40,386  | Other Medical    | \$960,187        | \$0          | Services         | 4,332       |
| 201808 | 40,701  | Other Medical    | \$1,080,034      | \$0          | Services         | 5,075       |
| 201809 | 40,326  | Other Medical    | \$1,084,957      | \$0          | Services         | 4,206       |
| 201810 | 40,569  | Other Medical    | \$1,086,671      | \$0          | Services         | 4,887       |
| 201811 | 40,509  | Other Medical    | \$1,124,751      | \$0          | Services         | 4,564       |
| 201812 | 41,435  | Other Medical    | \$903,300        | \$0          | Services         | 4,233       |
| 201901 | 42,431  | Other Medical    | \$1,129,983      | \$0          | Services         | 5,002       |
| 201902 | 42,697  | Other Medical    | \$1,208,764      | \$0          | Services         | 5,673       |

## Appendix - Experience by Service Category

| Month  | Members | Service Category  | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|-------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Prescription Drug | \$3,573,818      | \$574,938    | Scripts          | 27,259      |
| 201602 | 44,642  | Prescription Drug | \$4,098,908      | \$578,275    | Scripts          | 27,763      |
| 201603 | 44,852  | Prescription Drug | \$4,689,888      | \$578,676    | Scripts          | 30,308      |
| 201604 | 44,745  | Prescription Drug | \$4,492,841      | \$636,645    | Scripts          | 28,545      |
| 201605 | 44,584  | Prescription Drug | \$4,247,146      | \$634,642    | Scripts          | 28,541      |
| 201606 | 44,519  | Prescription Drug | \$4,625,721      | \$632,429    | Scripts          | 28,832      |
| 201607 | 44,235  | Prescription Drug | \$4,115,253      | \$562,691    | Scripts          | 26,930      |
| 201608 | 43,933  | Prescription Drug | \$4,277,487      | \$559,917    | Scripts          | 28,450      |
| 201609 | 43,584  | Prescription Drug | \$4,033,482      | \$556,687    | Scripts          | 26,400      |
| 201610 | 43,338  | Prescription Drug | \$4,049,085      | \$523,644    | Scripts          | 27,078      |
| 201611 | 43,046  | Prescription Drug | \$4,044,559      | \$523,073    | Scripts          | 27,347      |
| 201612 | 42,186  | Prescription Drug | \$3,981,850      | \$516,913    | Scripts          | 27,697      |
| 201701 | 41,362  | Prescription Drug | \$3,875,247      | \$572,245    | Scripts          | 26,505      |
| 201702 | 40,960  | Prescription Drug | \$3,906,154      | \$567,557    | Scripts          | 24,799      |
| 201703 | 40,733  | Prescription Drug | \$4,530,786      | \$564,859    | Scripts          | 27,531      |
| 201704 | 40,448  | Prescription Drug | \$3,903,078      | \$620,928    | Scripts          | 25,074      |
| 201705 | 40,383  | Prescription Drug | \$4,516,391      | \$620,228    | Scripts          | 26,893      |
| 201706 | 40,116  | Prescription Drug | \$4,594,031      | \$617,982    | Scripts          | 25,791      |
| 201707 | 39,855  | Prescription Drug | \$4,119,164      | \$620,900    | Scripts          | 24,732      |
| 201708 | 39,736  | Prescription Drug | \$4,516,048      | \$619,242    | Scripts          | 25,960      |
| 201709 | 39,764  | Prescription Drug | \$4,244,062      | \$619,692    | Scripts          | 24,326      |
| 201710 | 39,827  | Prescription Drug | \$4,401,515      | \$613,390    | Scripts          | 26,140      |
| 201711 | 39,597  | Prescription Drug | \$4,258,453      | \$610,461    | Scripts          | 25,803      |
| 201712 | 39,346  | Prescription Drug | \$4,287,646      | \$606,625    | Scripts          | 25,611      |
| 201801 | 39,818  | Prescription Drug | \$4,578,309      | \$717,551    | Scripts          | 27,313      |
| 201802 | 39,872  | Prescription Drug | \$4,275,121      | \$720,015    | Scripts          | 24,423      |
| 201803 | 39,866  | Prescription Drug | \$4,627,338      | \$719,721    | Scripts          | 26,268      |
| 201804 | 39,781  | Prescription Drug | \$4,378,934      | \$729,545    | Scripts          | 25,561      |
| 201805 | 39,765  | Prescription Drug | \$4,893,774      | \$730,377    | Scripts          | 26,513      |
| 201806 | 40,182  | Prescription Drug | \$4,800,098      | \$737,707    | Scripts          | 25,861      |
| 201807 | 40,386  | Prescription Drug | \$4,643,270      | \$693,029    | Scripts          | 25,632      |
| 201808 | 40,701  | Prescription Drug | \$4,884,545      | \$698,782    | Scripts          | 26,569      |
| 201809 | 40,326  | Prescription Drug | \$4,134,671      | \$694,619    | Scripts          | 24,065      |
| 201810 | 40,569  | Prescription Drug | \$4,774,480      | \$620,751    | Scripts          | 27,425      |
| 201811 | 40,509  | Prescription Drug | \$4,593,005      | \$619,823    | Scripts          | 26,079      |
| 201812 | 41,435  | Prescription Drug | \$4,479,685      | \$634,600    | Scripts          | 26,485      |
| 201901 | 42,431  | Prescription Drug | \$4,831,335      |              | Scripts          | 27,976      |
| 201902 | 42,697  | Prescription Drug | \$4,429,106      |              | Scripts          | 26,245      |

## Appendix - Experience by Service Category

| Month  | Members | Service Category | Ultimate Allowed | Drug Rebates | Utilization Unit | Utilization |
|--------|---------|------------------|------------------|--------------|------------------|-------------|
| 201601 | 44,297  | Capitations      | \$62,564         | \$0          | Benefit Period   | 44,297      |
| 201602 | 44,642  | Capitations      | \$63,387         | \$0          | Benefit Period   | 44,642      |
| 201603 | 44,852  | Capitations      | \$64,455         | \$0          | Benefit Period   | 44,852      |
| 201604 | 44,745  | Capitations      | \$64,131         | \$0          | Benefit Period   | 44,745      |
| 201605 | 44,584  | Capitations      | \$63,922         | \$0          | Benefit Period   | 44,584      |
| 201606 | 44,519  | Capitations      | \$63,605         | \$0          | Benefit Period   | 44,519      |
| 201607 | 44,235  | Capitations      | \$63,174         | \$0          | Benefit Period   | 44,235      |
| 201608 | 43,933  | Capitations      | \$62,566         | \$0          | Benefit Period   | 43,933      |
| 201609 | 43,584  | Capitations      | \$62,139         | \$0          | Benefit Period   | 43,584      |
| 201610 | 43,338  | Capitations      | \$61,668         | \$0          | Benefit Period   | 43,338      |
| 201611 | 43,046  | Capitations      | \$60,948         | \$0          | Benefit Period   | 43,046      |
| 201612 | 42,186  | Capitations      | \$59,439         | \$0          | Benefit Period   | 42,186      |
| 201701 | 41,362  | Capitations      | \$52,854         | \$0          | Benefit Period   | 41,362      |
| 201702 | 40,960  | Capitations      | \$51,779         | \$0          | Benefit Period   | 40,960      |
| 201703 | 40,733  | Capitations      | \$51,213         | \$0          | Benefit Period   | 40,733      |
| 201704 | 40,448  | Capitations      | \$50,462         | \$0          | Benefit Period   | 40,448      |
| 201705 | 40,383  | Capitations      | \$50,023         | \$0          | Benefit Period   | 40,383      |
| 201706 | 40,116  | Capitations      | \$49,428         | \$0          | Benefit Period   | 40,116      |
| 201707 | 39,855  | Capitations      | \$48,823         | \$0          | Benefit Period   | 39,855      |
| 201708 | 39,736  | Capitations      | \$48,451         | \$0          | Benefit Period   | 39,736      |
| 201709 | 39,764  | Capitations      | \$48,179         | \$0          | Benefit Period   | 39,764      |
| 201710 | 39,827  | Capitations      | \$47,915         | \$0          | Benefit Period   | 39,827      |
| 201711 | 39,597  | Capitations      | \$47,365         | \$0          | Benefit Period   | 39,597      |
| 201712 | 39,346  | Capitations      | \$46,775         | \$0          | Benefit Period   | 39,346      |
| 201801 | 39,818  | Capitations      | \$32,395         | \$0          | Benefit Period   | 39,818      |
| 201802 | 39,872  | Capitations      | \$32,238         | \$0          | Benefit Period   | 39,872      |
| 201803 | 39,866  | Capitations      | \$32,197         | \$0          | Benefit Period   | 39,866      |
| 201804 | 39,781  | Capitations      | \$31,907         | \$0          | Benefit Period   | 39,781      |
| 201805 | 39,765  | Capitations      | \$31,535         | \$0          | Benefit Period   | 39,765      |
| 201806 | 40,182  | Capitations      | \$31,641         | \$0          | Benefit Period   | 40,182      |
| 201807 | 40,386  | Capitations      | \$31,643         | \$0          | Benefit Period   | 40,386      |
| 201808 | 40,701  | Capitations      | \$31,709         | \$0          | Benefit Period   | 40,701      |
| 201809 | 40,326  | Capitations      | \$31,178         | \$0          | Benefit Period   | 40,326      |
| 201810 | 40,569  | Capitations      | \$31,079         | \$0          | Benefit Period   | 40,569      |
| 201811 | 40,509  | Capitations      | \$30,722         | \$0          | Benefit Period   | 40,509      |
| 201812 | 41,435  | Capitations      | \$31,011         | \$0          | Benefit Period   | 41,435      |
| 201901 | 42,431  | Capitations      | \$42,767         | \$0          | Benefit Period   | 42,431      |
| 201902 | 42,697  | Capitations      | \$42,880         | \$0          | Benefit Period   | 42,697      |

## Appendix - Total Experience

| Month  | Members | Contracts | Ultimate Allowed | Drug Rebates | Post-Rx Rebate Ultimate Allowed | Ultimate Incurred | Premium      | Loss Ratio |
|--------|---------|-----------|------------------|--------------|---------------------------------|-------------------|--------------|------------|
| 201601 | 44,297  | 29,097    | \$13,299,234     | \$574,938    | \$12,724,296                    | \$10,190,229      | \$17,313,359 | 58.9%      |
| 201602 | 44,642  | 29,431    | \$14,859,490     | \$578,275    | \$14,281,215                    | \$11,750,012      | \$17,242,028 | 68.1%      |
| 201603 | 44,852  | 29,682    | \$16,210,199     | \$578,676    | \$15,631,523                    | \$12,998,777      | \$17,192,928 | 75.6%      |
| 201604 | 44,745  | 29,599    | \$15,401,219     | \$636,645    | \$14,764,575                    | \$12,439,632      | \$17,129,614 | 72.6%      |
| 201605 | 44,584  | 29,441    | \$15,224,263     | \$634,642    | \$14,589,621                    | \$12,379,580      | \$16,989,924 | 72.9%      |
| 201606 | 44,519  | 29,367    | \$15,952,142     | \$632,429    | \$15,319,713                    | \$13,011,777      | \$17,000,744 | 76.5%      |
| 201607 | 44,235  | 29,147    | \$14,385,985     | \$562,691    | \$13,823,294                    | \$11,824,750      | \$16,846,726 | 70.2%      |
| 201608 | 43,933  | 28,911    | \$15,562,068     | \$559,917    | \$15,002,151                    | \$12,806,860      | \$16,671,517 | 76.8%      |
| 201609 | 43,584  | 28,613    | \$14,518,822     | \$556,687    | \$13,962,135                    | \$11,941,793      | \$16,582,020 | 72.0%      |
| 201610 | 43,338  | 28,403    | \$14,834,768     | \$523,644    | \$14,311,123                    | \$12,277,249      | \$16,437,827 | 74.7%      |
| 201611 | 43,046  | 28,180    | \$15,209,175     | \$523,073    | \$14,686,102                    | \$12,690,091      | \$16,450,494 | 77.1%      |
| 201612 | 42,186  | 27,650    | \$14,338,612     | \$516,913    | \$13,821,699                    | \$11,501,338      | \$16,134,990 | 71.3%      |
| 201701 | 41,362  | 26,983    | \$15,010,673     | \$572,245    | \$14,438,428                    | \$11,889,350      | \$16,528,153 | 71.9%      |
| 201702 | 40,960  | 26,681    | \$13,649,371     | \$567,557    | \$13,081,815                    | \$10,854,612      | \$16,373,825 | 66.3%      |
| 201703 | 40,733  | 26,498    | \$16,423,938     | \$564,859    | \$15,859,079                    | \$13,447,779      | \$16,322,528 | 82.4%      |
| 201704 | 40,448  | 26,275    | \$14,166,110     | \$620,928    | \$13,545,182                    | \$11,534,135      | \$16,283,519 | 70.8%      |
| 201705 | 40,383  | 26,205    | \$15,336,009     | \$620,228    | \$14,715,781                    | \$12,578,368      | \$16,256,857 | 77.4%      |
| 201706 | 40,116  | 25,975    | \$16,084,393     | \$617,982    | \$15,466,411                    | \$13,373,251      | \$16,224,835 | 82.4%      |
| 201707 | 39,855  | 25,733    | \$14,514,305     | \$620,900    | \$13,893,405                    | \$11,932,866      | \$16,175,145 | 73.8%      |
| 201708 | 39,736  | 25,607    | \$16,311,210     | \$619,242    | \$15,691,968                    | \$13,630,653      | \$16,172,684 | 84.3%      |
| 201709 | 39,764  | 25,542    | \$14,901,604     | \$619,692    | \$14,281,912                    | \$12,394,135      | \$16,210,400 | 76.5%      |
| 201710 | 39,827  | 25,549    | \$15,394,283     | \$613,390    | \$14,780,893                    | \$12,702,532      | \$16,279,955 | 78.0%      |
| 201711 | 39,597  | 25,409    | \$14,254,533     | \$610,461    | \$13,644,072                    | \$11,627,449      | \$16,233,195 | 71.6%      |
| 201712 | 39,346  | 25,177    | \$14,613,988     | \$606,625    | \$14,007,362                    | \$11,772,785      | \$16,391,622 | 71.8%      |
| 201801 | 39,818  | 25,624    | \$16,825,376     | \$717,551    | \$16,107,825                    | \$13,203,694      | \$16,853,982 | 78.3%      |
| 201802 | 39,872  | 25,653    | \$14,972,129     | \$720,015    | \$14,252,113                    | \$11,868,919      | \$17,138,373 | 69.3%      |
| 201803 | 39,866  | 25,659    | \$16,325,084     | \$719,721    | \$15,605,363                    | \$13,274,836      | \$17,147,843 | 77.4%      |
| 201804 | 39,781  | 25,616    | \$15,703,786     | \$729,545    | \$14,974,241                    | \$12,700,866      | \$17,162,881 | 74.0%      |
| 201805 | 39,765  | 25,544    | \$16,007,237     | \$730,377    | \$15,276,860                    | \$13,012,995      | \$17,184,119 | 75.7%      |
| 201806 | 40,182  | 25,708    | \$16,120,564     | \$737,707    | \$15,382,857                    | \$13,192,605      | \$17,518,975 | 75.3%      |
| 201807 | 40,386  | 25,747    | \$16,980,943     | \$693,029    | \$16,287,914                    | \$14,168,900      | \$17,624,109 | 80.4%      |
| 201808 | 40,701  | 25,903    | \$16,733,333     | \$698,782    | \$16,034,551                    | \$13,808,586      | \$17,793,210 | 77.6%      |
| 201809 | 40,326  | 25,672    | \$15,065,240     | \$694,619    | \$14,370,622                    | \$12,329,893      | \$17,657,556 | 69.8%      |
| 201810 | 40,569  | 25,807    | \$17,862,612     | \$620,751    | \$17,241,861                    | \$14,904,558      | \$17,837,252 | 83.6%      |
| 201811 | 40,509  | 25,772    | \$17,680,969     | \$619,823    | \$17,061,146                    | \$14,828,136      | \$17,920,010 | 82.7%      |
| 201812 | 41,435  | 26,200    | \$16,665,082     | \$634,600    | \$16,030,482                    | \$13,543,649      | \$18,439,538 | 73.4%      |
| 201901 | 42,431  | 27,057    | \$18,528,591     |              | \$18,528,591                    | \$15,321,352      | \$19,194,784 | 79.8%      |
| 201902 | 42,697  | 27,248    | \$17,843,821     |              | \$17,843,821                    | \$14,508,979      | \$19,260,383 | 75.3%      |

May 24, 2019

Mr. Efren Tanhehco  
Supervisory Health Actuary  
Department of Insurance, Securities and Banking



Re: CareFirst BlueChoice, Inc. Individual, Non-Medigap Rate Filing Cover Letter

Mr. Tanhehco,

In accordance with DISB requirements this letter has been submitted as cover for our 2020 ACA plan rate filing submitted 5/24/2019. Please note the required information below:

- a. **Company Name:** CareFirst BlueChoice, Inc. (CFBC)
- b. **NAIC Company Code:** 96202
- c. **Unique Company Filing Number:** 2342
- d. **Date Submitted:** 5/24/2019
- e. **Proposed Effective Date:** 1/1/2020
- f. **Type of Product:** HMO – On Exchange
- g. **Individual or Group:** Individual, Non-Medigap
- h. **Scope and Purpose of Filing:** This filing has been submitted to propose the rate actions listed below in section k for all non-grandfathered ACA compliant plans offered by CFBC.
- i. **Indication Whether Initial Filing or Change:** This filing proposes a change to existing rates (from our previous SERFF Filing #CFAP-131468242).
- j. **Indication if no DC Policyholders:** This filing proposes rate actions to our plans sold in DC. DC policyholders of CFBC ACA plans will be impacted.
- k. **Overall Premium Impact of Filing on DC Policyholders:** Proposed average rate increase for 2020 is 7.7%.
- l. **Contact Information:**
  - a. Name: Cory Bream, ASA, MAAA
  - b. Telephone Number: 410-998-5308
  - c. Email: [cory.bream@Carefirst.com](mailto:cory.bream@Carefirst.com)
  - d. Fax: 410-505-2192

For further detail and support for the rate actions proposed above please reference the Actuarial Memorandum submitted on 5/24/2019.

Sincerely,

Cory Bream  
Digitally signed by Cory  
Bream  
Date: 2019.05.23 17:15:28  
-04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate

May 24, 2019

Mr. Efren Tanhehco  
Supervisory Health Actuary  
Department of Insurance, Securities and Banking



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- i. **Indication Whether Initial Filing or Change:** This filing proposes a change to existing rates (from our previous SERFF Filing #CFAP-131468242).
- j. **Indication if no DC Policyholders:** This filing proposes rate actions to our plans sold in DC. DC policyholders of CFBC ACA plans will be impacted.
- k. **Overall Premium Impact of Filing on DC Policyholders:** Proposed average rate increase for 2020 is -10.0%.
- l. **Contact Information:**
  - a. Name: Cory Bream, ASA, MAAA
  - b. Telephone Number: 410-998-5308
  - c. Email: [cory.bream@Carefirst.com](mailto:cory.bream@Carefirst.com)
  - d. Fax: 410-505-2192

For further detail and support for the rate actions proposed above please reference the Actuarial Memorandum submitted on 5/24/2019.

Sincerely,

Cory Bream  
Digitally signed by Cory  
Bream  
Date: 2019.05.24 09:05:57  
-04'00'

Cory Bream, ASA, MAAA  
Actuarial Associate

# Unified Rate Review v5.0

|                                   |                  |         |            |
|-----------------------------------|------------------|---------|------------|
| Company Legal Name:               | BlueChoice, Inc. | State:  | DC         |
| HIOS Issuer ID:                   | 86052            | Market: | Individual |
| Effective Date of Rate Change(s): | 1/1/2020         |         |            |

## Market Level Calculations (Same for all Plans)

### Section I: Experience Period Data

|                                      |                  |    |            |
|--------------------------------------|------------------|----|------------|
| Experience Period:                   | 1/1/2018         | to | 12/31/2018 |
|                                      | Total            |    | PMPM       |
| Allowed Claims                       | \$188,625,834.49 |    | \$3,373.50 |
| Reinsurance                          | \$0.00           |    | \$0.00     |
| Incurred Claims in Experience Period | \$160,837,637.10 |    | \$2,876.52 |
| Risk Adjustment                      | -\$8,172,438.44  |    | -\$146.16  |
| Experience Period Premium            | \$210,277,846.49 |    | \$3,760.74 |
| Experience Period Member Months      | 55,914           |    |            |

### Section II: Projections

| Benefit Category    | Experience Period Index<br>Rate PMPM | Year 1 Trend |             | Year 2 Trend |             | Trended EHB Allowed Claims<br>PMPM |
|---------------------|--------------------------------------|--------------|-------------|--------------|-------------|------------------------------------|
|                     |                                      | Cost         | Utilization | Cost         | Utilization |                                    |
| Inpatient Hospital  | \$64.70                              | 1.000        | 1.060       | 1.000        | 1.060       | \$72.70                            |
| Outpatient Hospital | \$70.51                              | 1.010        | 1.040       | 1.010        | 1.040       | \$77.80                            |
| Professional        | \$133.28                             | 1.030        | 1.060       | 1.030        | 1.060       | \$158.87                           |
| Other Medical       | \$24.24                              | 1.040        | 1.090       | 1.040        | 1.090       | \$31.15                            |
| Capitation          | \$0.54                               | 1.000        | 1.000       | 1.000        | 1.000       | \$0.54                             |
| Prescription Drug   | \$96.74                              | 1.065        | 1.000       | 1.065        | 1.000       | \$109.72                           |
| Total               | \$390.01                             |              |             |              |             | \$450.78                           |

|   |          |
|---|----------|
| Morbidity Adjustment                                  | 1.006    |
| Demographic Shift                                     | 0.992    |
| Plan Design Changes                                   | 1.004    |
| Other   | 1.000    |
| Adjusted Trended EHB Allowed Claims PMPM for 1/1/2020 | \$451.66 |

|                                |          |
|--------------------------------|----------|
| Manual EHB Allowed Claims PMPM | \$451.52 |
| Applied Credibility %          | 0.00%    |

| Projected Period Totals           |           |                 |
|-----------------------------------|-----------|-----------------|
| Projected Index Rate for 1/1/2020 | \$451.52  | \$25,253,965.12 |
| Reinsurance                       | \$0.00    | \$0.00          |
| Risk Adjustment Payment/Charge    | -\$116.88 | -\$6,537,215.28 |
| Exchange User Fees                | 0.00%     | \$0.00          |
| Market Adjusted Index Rate        | \$568.40  | \$31,791,180.40 |
| Projected Member Months           | 55,931    |                 |



**Product-Plan Data Collection**

Company Legal Name: BlueChoice, Inc.  
HIOS Issuer ID: 86052  
Effective Date of Rate Change(s): 1/1/2020

State: DC  
Market: Individual

**Product/Plan Level Calculations**

| Field # | Section I: General Product and Plan Information | BlueChoice HMO                         |                                    |                                    |  |                                      |  |                                 |
|---------|---|--|------------------------------------|------------------------------------|--|--------------------------------------|--|---------------------------------|
| 1.1     | Product Name                                    | 86052DC040                             |                                    |                                    |  |                                      |  |                                 |
| 1.2     | Product ID                                      | 86052DC0400001                         |                                    |                                    |  |                                      |  |                                 |
| 1.3     | Plan Name                                       | BlueChoice HMO Standard Silver \$4,000 | BlueChoice HMO Standard Gold \$500 | BlueChoice HMO Young Adult \$8,150 | BlueChoice HMO Standard Bronze \$7,250 | BlueChoice HMO Standard Platinum \$0 | BlueChoice HMO HSA Standard Bronze \$6,200 | BlueChoice HMO HSA Gold \$1,500 |
| 1.4     | Plan ID (Standard Component ID)                 | 86052DC0400001                         | 86052DC0400002                     | 86052DC0400004                     | 86052DC0400007                         | 86052DC0400008                       | 86052DC0400010                             | 86052DC0400011                  |
| 1.5     | Metal   | Silver                                 | Gold                               | Catastrophic                       | Bronze                                 | Platinum                             | Bronze                                     | Gold                            |
| 1.6     | AV Metal Value                                  | 0.718                                  | 0.819                              | 0.618                              | 0.649                                  | 0.896                                | 0.631                                      | 0.791                           |
| 1.7     | Plan Category                                   | Renewing                               | Renewing                           | Renewing                           | Renewing                               | Renewing                             | Renewing                                   | Renewing                        |
| 1.8     | Plan Type                                       | HMO                                    | HMO                                | HMO                                | HMO                                    | HMO                                  | HMO  | HMO                             |
| 1.9     | Exchange Plan?                                  | Yes                                    | Yes                                | Yes                                | Yes                                    | Yes                                  | Yes  | Yes                             |
| 1.10    | Effective Date of Proposed Rates                | 1/1/2020                               | 1/1/2020                           | 1/1/2020                           | 1/1/2020                               | 1/1/2020                             | 1/1/2020                                   | 1/1/2020                        |
| 1.11    | Cumulative Rate Change % (over 12 mos prior)    | 6.77%                                  | 7.40%                              | 4.35%                              | 7.55%                                  | 10.90%                               | 9.69%                                      | 9.11%                           |
| 1.12    | Product Rate Increase %                         | 8.01%                                  |                                    |                                    |  |                                      |  |                                 |
| 1.13    | Submission Level Rate Increase %                | 8.01%                                  |                                    |                                    |  |                                      |  |                                 |

| Worksheet 1 Totals | Section II: Experience Period and Current Plan Level Information | Total        | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
|--------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| \$188,625,834      | 2.1 Plan ID (Standard Component ID)                              | \$20,523,069 | \$6,428,889    | \$3,293,451    | \$718,478      | \$3,645,570    | \$3,625,684    | \$2,235,407    | \$575,590      |
| \$0                | 2.2 Allowed Claims   | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$0                | 2.3 Reinsurance  | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$160,837,637      | 2.4 Member Cost Sharing  | \$4,026,013  | \$1,160,485    | \$349,786      | \$394,827      | \$967,903      | \$163,527      | \$866,553      | \$122,932      |
| \$0                | 2.5 Cost Sharing Reduction                                       | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$8,172,438        | 2.6 Incurred Claims  | \$16,497,056 | \$5,268,404    | \$2,943,665    | \$323,651      | \$2,677,667    | \$3,462,156    | \$1,368,854    | \$452,657      |
| \$210,277,846      | 2.7 Risk Adjustment Transfer Amount                              | -\$2,601,722 | -\$55,131      | \$239,433      | -\$1,712       | -\$1,938,552   | \$853,646      | -\$1,749,792   | \$50,385       |
| \$5,914            | 2.8 Premium  | \$20,108,512 | \$5,817,785    | \$2,958,032    | \$880,490      | \$4,373,042    | \$2,129,425    | \$3,423,359    | \$526,380      |
|                    | 2.9 Experience Period Member Months                              | 55,914       | 13,959         | 5,845          | 8,314          | 12,098         | 3,548          | 10,920         | 1,230          |
|                    | 2.10 Current Enrollment  | 4,658        | 1,151          | 356            | 658            | 855            | 262            | 1,254          | 122            |
|                    | 2.11 Current Premium PMPM  | \$366.10     | \$402.25       | \$536.30       | \$166.24       | \$354.54       | \$614.18       | \$334.40       | \$480.34       |
|                    | 2.12 Loss Ratio  | 94.23%       | 91.42%         | 92.06%         | 36.83%         | 109.99%        | 116.06%        | 81.79%         | 78.48%         |
|                    | Per Member Per Month   |              |                |                |                |                |                |                |                |
|                    | 2.13 Allowed Claims  | \$367.05     | \$460.56       | \$563.46       | \$86.42        | \$301.34       | \$1,021.90     | \$204.71       | \$467.96       |
|                    | 2.14 Reinsurance   | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
|                    | 2.15 Member Cost Sharing   | \$72.00      | \$83.14        | \$59.84        | \$47.49        | \$80.01        | \$46.09        | \$79.35        | \$99.94        |
|                    | 2.16 Cost Sharing Reduction                                      | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
|                    | 2.17 Incurred Claims   | \$295.04     | \$377.42       | \$503.62       | \$38.93        | \$221.33       | \$975.81       | \$125.35       | \$368.01       |
|                    | 2.18 Risk Adjustment Transfer Amount                             | -\$46.53     | -\$3.95        | \$40.96        | -\$0.21        | -\$160.24      | \$240.60       | -\$160.24      | \$40.96        |
|                    | 2.19 Premium   | \$359.63     | \$416.78       | \$506.08       | \$105.90       | \$361.47       | \$600.18       | \$313.49       | \$427.95       |

| Section III: Plan Adjustment Factors     | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 3.1 Plan ID (Standard Component ID)      |                |                |                |                |                |                |                |
| 3.2 Market Adjusted Index Rate           |                |                |                | \$568.40       |                |                |                |
| 3.3 AV and Cost Sharing Design of Plan   | 0.6084         | 0.8167         | 0.4996         | 0.5399         | 0.9662         | 0.5193         | 0.7429         |
| 3.4 Provider Network Adjustment          | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         |
| 3.5 Benefits in Addition to EHB          | 1.0060         | 1.0051         | 1.0115         | 1.0065         | 1.0047         | 1.0067         | 1.0054         |
| Administrative Costs                     |                |                |                |                |                |                |                |
| 3.6 Administrative Expense               | 17.18%         | 17.18%         | 17.18%         | 17.18%         | 17.18%         | 17.18%         | 17.18%         |
| 3.7 Taxes and Fees                       | 5.78%          | 5.78%          | 5.78%          | 5.78%          | 5.78%          | 5.78%          | 5.78%          |
| 3.8 Profit & Risk Load                   | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          |
| 3.9 Catastrophic Adjustment              | 1.0000         | 1.0000         | 0.4892         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 3.10 Plan Adjusted Index Rate            | \$433.05       | \$580.79       | \$174.91       | \$384.48       | \$686.83       | \$369.88       | \$528.46       |
| 3.11 Age Calibration Factor              | 0.9606         |                |                | 0.9606         |                |                |                |
| 3.12 Geographic Calibration Factor       | 1.0000         |                |                | 1.0000         |                |                |                |
| 3.13 Tobacco Calibration Factor          | 1.0000         |                |                | 1.0000         |                |                |                |
| 3.14 Calibrated Plan Adjusted Index Rate | \$415.98       | \$557.91       | \$168.02       | \$369.33       | \$659.77       | \$355.31       | \$507.64       |

| Section IV: Projected Plan Level Information | Total        | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 4.1 Plan ID (Standard Component ID)          |              |                |                |                |                |                |                |                |
| 4.2 Allowed Claims                           | \$22,816,174 | \$5,296,343    | \$1,348,763    | \$3,766,524    | \$3,544,646    | \$1,123,277    | \$7,077,142    | \$659,478      |
| 4.3 Reinsurance                              | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| 4.4 Member Cost Sharing                      | \$9,739,918  | \$1,913,569    | \$240,619      | \$2,766,923    | \$1,466,775    | \$98,399       | \$3,087,049    | \$166,584      |
| 4.5 Cost Sharing Reduction                   | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| 4.6 Incurred Claims                          | \$13,076,256 | \$3,382,775    | \$1,108,144    | \$999,602      | \$2,077,872    | \$1,024,878    | \$3,990,093    | \$492,894      |
| 4.7 Risk Adjustment Transfer Amount          | -\$3,357,686 | \$368,974      | \$449,418      | -\$18,719      | -\$1,743,118   | \$845,432      | -\$3,479,363   | \$219,690      |
| 4.8 Premium                                  | \$21,478,552 | \$5,556,415    | \$1,820,194    | \$1,641,907    | \$3,413,031    | \$1,683,425    | \$6,553,971    | \$809,608      |
| 4.9 Projected Member Months                  | 55,931       | 12,831         | 3,134          | 9,387          | 8,877          | 2,451          | 17,719         | 1,532          |
| 4.10 Loss Ratio                              | 72.16%       | 57.09%         | 48.83%         | 61.58%         | 124.43%        | 40.53%         | 129.78%        | 47.89%         |
| Per Member Per Month                         |              |                |                |                |                |                |                |                |
| 4.11 Allowed Claims                          | \$407.93     | \$412.78       | \$430.36       | \$401.25       | \$399.31       | \$458.29       | \$399.41       | \$430.47       |
| 4.12 Reinsurance                             | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.13 Member Cost Sharing                     | \$174.14     | \$149.14       | \$76.78        | \$294.76       | \$165.23       | \$40.15        | \$174.22       | \$108.74       |
| 4.14 Cost Sharing Reduction                  | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.15 Incurred Claims                         | \$233.79     | \$263.64       | \$353.59       | \$106.49       | \$234.07       | \$418.15       | \$225.19       | \$321.73       |
| 4.16 Risk Adjustment Transfer Amount         | -\$60.03     | \$28.76        | \$143.40       | -\$1.99        | -\$196.36      | \$344.93       | -\$196.36      | \$143.40       |
| 4.17 Premium                                 | \$384.02     | \$433.05       | \$580.79       | \$174.91       | \$384.48       | \$686.83       | \$369.88       | \$528.46       |

Rating Area Data Collection

| Rating Area   | Rating Factor |
|---------------|---------------|
| Rating Area 1 | 1.0000        |

## Unified Rate Review v5.0

|                                   |                  |         |            |
|-----------------------------------|------------------|---------|------------|
| Company Legal Name:               | BlueChoice, Inc. | State:  | DC         |
| HIOS Issuer ID:                   | 86052            | Market: | Individual |
| Effective Date of Rate Change(s): | 1/1/2020         |         |            |

### Market Level Calculations (Same for all Plans)

#### Section I: Experience Period Data

|                                      |                  |    |            |
|--------------------------------------|------------------|----|------------|
| Experience Period:                   | 1/1/2018         | to | 12/31/2018 |
|                                      | Total            |    | PMPM       |
| Allowed Claims                       | \$188,625,834.49 |    | \$3,373.50 |
| Reinsurance                          | \$0.00           |    | \$0.00     |
| Incurred Claims in Experience Period | \$160,837,637.10 |    | \$2,876.52 |
| Risk Adjustment                      | -\$8,172,438.44  |    | -\$146.16  |
| Experience Period Premium            | \$210,277,846.49 |    | \$3,760.74 |
| Experience Period Member Months      | 55,914           |    |            |

#### Section II: Projections

| Benefit Category    | Experience Period Index<br>Rate PMPM | Year 1 Trend |             | Year 2 Trend |             | Trended EHB Allowed Claims<br>PMPM |
|---------------------|--------------------------------------|--------------|-------------|--------------|-------------|------------------------------------|
|                     |                                      | Cost         | Utilization | Cost         | Utilization |                                    |
| Inpatient Hospital  | \$64.70                              | 1.000        | 1.060       | 1.000        | 1.060       | \$72.70                            |
| Outpatient Hospital | \$70.51                              | 1.010        | 1.040       | 1.010        | 1.040       | \$77.80                            |
| Professional        | \$133.28                             | 1.030        | 1.060       | 1.030        | 1.060       | \$158.87                           |
| Other Medical       | \$24.24                              | 1.040        | 1.090       | 1.040        | 1.090       | \$31.15                            |
| Capitation          | \$0.54                               | 1.000        | 1.000       | 1.000        | 1.000       | \$0.54                             |
| Prescription Drug   | \$96.74                              | 1.065        | 1.000       | 1.065        | 1.000       | \$109.72                           |
| Total               | \$390.01                             |              |             |              |             | \$450.78                           |

|   |          |
|---|----------|
| Morbidity Adjustment                                  | 1.006    |
| Demographic Shift                                     | 0.992    |
| Plan Design Changes                                   | 1.004    |
| Other   | 1.000    |
| Adjusted Trended EHB Allowed Claims PMPM for 1/1/2020 | \$451.66 |

|                                |          |
|--------------------------------|----------|
| Manual EHB Allowed Claims PMPM | \$451.52 |
| Applied Credibility %          | 0.00%    |

| Projected Period Totals           |          |                 |
|-----------------------------------|----------|-----------------|
| Projected Index Rate for 1/1/2020 | \$451.52 | \$25,253,965.12 |
| Reinsurance                       | \$0.00   | \$0.00          |
| Risk Adjustment Payment/Charge    | -\$2.08  | -\$116,336.48   |
| Exchange User Fees                | 0.00%    | \$0.00          |
| Market Adjusted Index Rate        | \$453.60 | \$25,370,301.60 |
| Projected Member Months           | 55,931   |                 |

**Product-Plan Data Collection**

Company Legal Name: BlueChoice, Inc.  
HIOS Issuer ID: 86052  
Effective Date of Rate Change(s): 1/1/2020

State: DC  
Market: Individual

**Product/Plan Level Calculations**

| Field # | Section I: General Product and Plan Information |  |  |  |  |  |  |  |
|---------|---|--|--|--|--|--|--|--|
| 1.1     | Product Name                                    |  | BlueChoice HMO                               |  |  |  |  |  |
| 1.2     | Product ID                                      |  | 86052DC040                                   |  |  |  |  |  |
| 1.3     | Plan Name                                       |  | BlueChoice HMO<br>Standard Silver<br>\$4,000 | BlueChoice HMO<br>Standard Gold<br>\$500 | BlueChoice HMO<br>Young Adult<br>\$8,150 | BlueChoice HMO<br>Standard Bronze<br>\$7,250 | BlueChoice HMO<br>Standard Platinum<br>\$0 | BlueChoice HMO<br>HSA Standard<br>Bronze \$6,200 |
| 1.4     | Plan ID (Standard Component ID)                 |  | 86052DC0400001                               | 86052DC0400002                           | 86052DC0400004                           | 86052DC0400007                               | 86052DC0400008                             | 86052DC0400010                                   |
| 1.5     | Metal   |  | Silver                                       | Gold                                     | Catastrophic                             | Bronze                                       | Platinum                                   | Bronze   |
| 1.6     | AV Metal Value                                  |  | 0.718  | 0.819                                    | 0.618                                    | 0.649  | 0.896                                      | 0.631  |
| 1.7     | Plan Category                                   |  | Renewing                                     | Renewing                                 | Renewing                                 | Renewing                                     | Renewing                                   | Renewing   |
| 1.8     | Plan Type                                       |  | HMO  | HMO                                      | HMO                                      | HMO  | HMO  | HMO  |
| 1.9     | Exchange Plan?                                  |  | Yes  | Yes                                      | Yes                                      | Yes  | Yes  | Yes  |
| 1.10    | Effective Date of Proposed Rates                |  | 1/1/2020                                     | 1/1/2020                                 | 1/1/2020                                 | 1/1/2020                                     | 1/1/2020                                   | 1/1/2020   |
| 1.11    | Cumulative Rate Change % (over 12 mos prior)    |  | -10.76%                                      | -10.25%                                  | -12.69%                                  | -10.10%                                      | -7.33%                                     | -8.31%   |
| 1.12    | Product Rate Increase %                         |  |  |  |  | -9.72%                                       |  |  |
| 1.13    | Submission Level Rate Increase %                |  |  |  |  | -9.72%                                       |  |  |

| Worksheet 1 Totals | Section II: Experience Period and Current Plan Level Information |              |                |                |                |                |                |                |                |
|--------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2.1                | Plan ID (Standard Component ID)                                  | Total        | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
| \$188,625,834      | 2.2 Allowed Claims   | \$20,523,069 | \$6,428,889    | \$3,293,451    | \$718,478      | \$3,645,570    | \$3,625,684    | \$2,235,407    | \$575,590      |
| \$0                | 2.3 Reinsurance  | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$160,837,637      | 2.4 Member Cost Sharing  | \$4,026,013  | \$1,160,485    | \$349,786      | \$394,827      | \$967,903      | \$163,527      | \$866,553      | \$122,932      |
| \$-8,172,438       | 2.5 Cost Sharing Reduction                                       | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| \$210,277,846      | 2.6 Incurred Claims  | \$16,497,056 | \$5,268,404    | \$2,943,665    | \$323,651      | \$2,677,667    | \$3,462,156    | \$1,368,854    | \$452,657      |
| \$5,914            | 2.7 Risk Adjustment Transfer Amount                              | -\$2,601,722 | -\$55,131      | \$239,433      | -\$1,712       | -\$1,938,552   | \$853,646      | -\$1,749,792   | \$50,385       |
|                    | 2.8 Premium  | \$20,108,512 | \$5,817,785    | \$2,958,032    | \$880,490      | \$4,373,042    | \$2,129,425    | \$3,423,359    | \$526,380      |
|                    | 2.9 Experience Period Member Months                              | 55,914       | 13,959         | 5,845          | 8,314          | 12,098         | 3,548          | 10,920         | 1,230          |
|                    | 2.10 Current Enrollment  | 4,658        | 1,151          | 356            | 658            | 855            | 262            | 1,254          | 122            |
|                    | 2.11 Current Premium PMPM  | \$366.10     | \$402.25       | \$536.30       | \$166.24       | \$354.54       | \$614.18       | \$334.40       | \$480.34       |
|                    | 2.12 Loss Ratio  | 94.23%       | 91.42%         | 92.06%         | 36.83%         | 109.99%        | 116.06%        | 81.79%         | 78.48%         |
|                    | Per Member Per Month   |              |                |                |                |                |                |                |                |
|                    | 2.13 Allowed Claims  | \$367.05     | \$460.56       | \$563.46       | \$86.42        | \$301.34       | \$1,021.90     | \$204.71       | \$467.96       |
|                    | 2.14 Reinsurance   | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
|                    | 2.15 Member Cost Sharing   | \$72.00      | \$83.14        | \$59.84        | \$47.49        | \$80.01        | \$46.09        | \$79.35        | \$99.94        |
|                    | 2.16 Cost Sharing Reduction                                      | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
|                    | 2.17 Incurred Claims   | \$295.04     | \$377.42       | \$503.62       | \$38.93        | \$221.33       | \$975.81       | \$125.35       | \$368.01       |
|                    | 2.18 Risk Adjustment Transfer Amount                             | -\$46.53     | -\$3.95        | \$40.96        | -\$0.21        | -\$160.24      | \$240.60       | -\$160.24      | \$40.96        |
|                    | 2.19 Premium   | \$359.63     | \$416.78       | \$506.08       | \$105.90       | \$361.47       | \$600.18       | \$313.49       | \$427.95       |

**Section III: Plan Adjustment Factors**

|      |                                     |        |                |                |                |                |                |                |                |
|------|-------------------------------------|--------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 3.1  | Plan ID (Standard Component ID)     |        | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
| 3.2  | Market Adjusted Index Rate          |        |                |                |                | \$453.60       |                |                |                |
| 3.3  | AV and Cost Sharing Design of Plan  |        | 0.6084         | 0.8167         | 0.4996         | 0.5399         | 0.9662         | 0.5193         | 0.7429         |
| 3.4  | Provider Network Adjustment         |        | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         | 0.9540         |
| 3.5  | Benefits in Addition to EHB         |        | 1.0068         | 1.0057         | 1.0134         | 1.0073         | 1.0051         | 1.0075         | 1.0060         |
|      | Administrative Costs                |        |                |                |                |                |                |                |                |
| 3.6  | Administrative Expense              |        | 20.58%         | 20.58%         | 20.58%         | 20.58%         | 20.58%         | 20.58%         | 20.58%         |
| 3.7  | Taxes and Fees                      |        | 5.79%          | 5.79%          | 5.79%          | 5.79%          | 5.79%          | 5.79%          | 5.79%          |
| 3.8  | Profit & Risk Load                  |        | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          | 0.40%          |
| 3.9  | Catastrophic Adjustment             |        | 1.0000         | 1.0000         | 0.4892         | 1.0000         | 1.0000         | 1.0000         | 1.0000         |
| 3.10 | Plan Adjusted Index Rate            |        | \$361.96       | \$485.36       | \$146.36       | \$321.37       | \$573.86       | \$309.17       | \$441.63       |
| 3.11 | Age Calibration Factor              | 0.9606 |                |                |                | 0.9606         |                |                |                |
| 3.12 | Geographic Calibration Factor       | 1.0000 |                |                |                | 1.0000         |                |                |                |
| 3.13 | Tobacco Calibration Factor          | 1.0000 |                |                |                | 1.0000         |                |                |                |
| 3.14 | Calibrated Plan Adjusted Index Rate |        | \$347.70       | \$466.24       | \$140.59       | \$308.71       | \$551.25       | \$296.99       | \$424.23       |

**Section IV: Projected Plan Level Information**

|      |                                 |              |                |                |                |                |                |                |                |
|------|---------------------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 4.1  | Plan ID (Standard Component ID) | Total        | 86052DC0400001 | 86052DC0400002 | 86052DC0400004 | 86052DC0400007 | 86052DC0400008 | 86052DC0400010 | 86052DC0400011 |
| 4.2  | Allowed Claims                  | \$22,837,548 | \$5,300,555    | \$1,349,569    | \$3,773,599    | \$3,547,463    | \$1,123,724    | \$7,082,766    | \$659,872      |
| 4.3  | Reinsurance                     | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| 4.4  | Member Cost Sharing             | \$9,750,538  | \$1,915,091    | \$240,763      | \$2,772,120    | \$1,467,940    | \$98,438       | \$3,089,502    | \$166,684      |
| 4.5  | Cost Sharing Reduction          | \$0          | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            | \$0            |
| 4.6  | Incurred Claims                 | \$13,087,010 | \$3,385,465    | \$1,108,805    | \$1,001,479    | \$2,079,523    | \$1,025,286    | \$3,993,263    | \$493,188      |
| 4.7  | Risk Adjustment Transfer Amount | -\$54,801    | \$1,496,050    | \$800,809      | -\$18,719      | -\$1,315,844   | \$1,217,942    | -\$2,626,500   | \$391,461      |
| 4.8  | Premium                         | \$17,953,430 | \$4,644,354    | \$1,521,116    | \$1,373,881    | \$2,852,796    | \$1,406,540    | \$5,478,163    | \$676,581      |
| 4.9  | Projected Member Months         | 55,931       | 12,831         | 3,134          | 9,387          | 8,877          | 2,451          | 17,719         | 1,532          |
| 4.10 | Loss Ratio                      | 73.12%       | 55.13%         | 47.75%         | 73.90%         | 135.30%        | 39.07%         | 140.03%        | 46.18%         |
|      | Per Member Per Month            |              |                |                |                |                |                |                |                |
| 4.11 | Allowed Claims                  | \$408.32     | \$413.11       | \$430.62       | \$402.00       | \$399.62       | \$458.48       | \$399.73       | \$430.73       |
| 4.12 | Reinsurance                     | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.13 | Member Cost Sharing             | \$174.33     | \$149.25       | \$76.82        | \$295.31       | \$165.36       | \$40.16        | \$174.36       | \$108.80       |
| 4.14 | Cost Sharing Reduction          | \$0.00       | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         |
| 4.15 | Incurred Claims                 | \$233.98     | \$263.85       | \$353.80       | \$106.69       | \$234.26       | \$418.31       | \$225.37       | \$321.92       |
| 4.16 | Risk Adjustment Transfer Amount | -\$0.98      | \$116.60       | \$255.52       | -\$1.99        | -\$148.23      | \$496.92       | -\$148.23      | \$255.52       |
| 4.17 | Premium                         | \$320.99     | \$361.96       | \$485.36       | \$146.36       | \$321.37       | \$573.86       | \$309.17       | \$441.63       |

Rating Area Data Collection

| Rating Area   | Rating Factor |
|---------------|---------------|
| Rating Area 1 | 1.0000        |

# DC BlueChoice

## Rate Filing Justification Part II (Plain Language Summary)

Pursuant to 45 CFR 154.215, health insurance issuers are required to file Rate Filing Justifications. Part II of the Rate Filing Justification for rate increases and new submissions must contain a written description that includes a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. The Part II template below must be filled out and uploaded as an Adobe PDF file under the Consumer Disclosure Form section of the Supporting Documentation tab.

|                       |                 |
|-----------------------|-----------------|
| Name of Company       | BlueChoice Inc. |
| SERFF tracking number | CFAP-131941478  |
| Submission Date       | 5/24/2019       |
| Product Name          | BlueChoice      |

Market Type: ☒ Individual ☐ Small Group  
Rate Filing Type: ☒ Rate Increase ☐ New Filing

### Scope and Range of the Increase:

The (10.0) % increase is requested because:

The main drivers of the 2020 rate increase are a) deterioration in the base period experience of the combined pool, b) the re-introduction of the Health Insurer Fee and c) combined risk adjustment.

This filing will impact:

# of policyholder's 3,659 # of covered lives 4,359

The average, minimum and maximum rate changes increases are:

- Average Rate Change: The average premium change, by percentage, across all policy holders if the filing is approved (10.0) %
- Minimum Rate Change: The smallest premium increase (or largest decrease), by percentage, that any one policy holder would experience if the filing is approved (12.7) %
- Maximum Rate Change: The largest premium increase, by percentage, that any one policy holder would experience if the filing is approved 3.0 %

Individuals within the group may vary from the aggregate of the above increase components as a result of:

Product selection, changes in age factors, and changes in family composition.

### Financial Experience of Product

The overall financial experience of the product includes:

In 2018, a total of \$20.1 million in premium was collected and \$16.5 million in claims were paid out, along with \$2.6 million paid in risk adjustment, for a loss ratio of 95.0%. However, the rate increase of the product is driven partially by the combined Individual and Small group experience, which collected \$210.3 million in premium and paid out \$160.8 million in claims and paid \$8.2 million in risk adjustment for a loss ratio of 80.4%.

The rate increase will affect the projected financial experience of the product by:

The proposed rate increases are aimed to bring the combined loss ratio for Individual/Small Group to a projected 80.8%.

## Components of Increase

The request is made up of the following components:

|   |     |          |        |                         |
|---|-----|----------|--------|-------------------------|
| <b>Trend Increases –</b>  | 7.5 | % of the | (10.0) | % total filed increase  |
| 1. Medical Utilization Changes –Defined as the increase in total plan claim costs not attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts. Examples include changes in the mix of services utilized, or an increase/decrease in the frequency of service utilization. |     |          |        |                         |
| This component is   | 4.3 | % of the | (10.0) | % total filed increase. |
| 2. Medical Price Changes – Defined as the increase in total plan claim costs attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts.   |     |          |        |                         |
| This component is   | 3.1 | % of the | (10.0) | % total filed increase. |

|  |        |          |        |                         |
|--|--------|----------|--------|-------------------------|
| <b>Other Increases –</b>   | (16.3) | % of the | (10.0) | % total filed increase  |
| 1. Medical Benefit Changes Required by Law – Defined as any new mandated plan benefit changes, as mandated by either State or Federal Regulation.  |        |          |        |                         |
| This component is  | 0.0    | % of the | (10.0) | % total filed increase. |
| 2. Medical Benefit Changes Not Required by Law – Defined as changes in plan benefit design made by the company, which are not required by either State or Federal Regulation.  |        |          |        |                         |
| This component is  | 0.1    | % of the | (10.0) | % total filed increase. |
| 3. Changes to Administration Costs – Defined as increases in the costs of providing insurance coverage. Examples include claims payment expenses, distribution costs, taxes, and general business expenses such as rent, salaries, and overhead. |        |          |        |                         |
| This component is  | 5.7    | % of the | (10.0) | % total filed increase. |
| 4. Changes to Profit Margin – Defined as increases to company surplus or changes as an additional margin to cover the risk of the company.   |        |          |        |                         |
| This component is  | 1.1    | % of the | (10.0) | % total filed increase. |
| 5. Other – Defined as:   |        |          |        |                         |
| Effect of combined Risk Adjustment   |        |          |        |                         |
| This component is  | -21.8  | % of the | (10.0) | % total filed increase. |

# DC BlueChoice

## Rate Filing Justification Part II (Plain Language Summary)

Pursuant to 45 CFR 154.215, health insurance issuers are required to file Rate Filing Justifications. Part II of the Rate Filing Justification for rate increases and new submissions must contain a written description that includes a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. The Part II template below must be filled out and uploaded as an Adobe PDF file under the Consumer Disclosure Form section of the Supporting Documentation tab.

|                       |                 |
|-----------------------|-----------------|
| Name of Company       | BlueChoice Inc. |
| SERFF tracking number | CFAP-131941478  |
| Submission Date       | 5/24/2019       |
| Product Name          | BlueChoice      |

Market Type: ☒ Individual ☐ Small Group  
Rate Filing Type: ☒ Rate Increase ☐ New Filing

### Scope and Range of the Increase:

The  % increase is requested because:

The main drivers of the 2020 rate increase are a) deterioration in the base period experience of the combined pool, b) the re-introduction of the Health Insurer Fee and c) lower projected risk adjustment factor.

This filing will impact:

# of policyholder's  # of covered lives

The average, minimum and maximum rate changes increases are:

- Average Rate Change: The average premium change, by percentage, across all policy holders if the filing is approved  %
- Minimum Rate Change: The smallest premium increase (or largest decrease), by percentage, that any one policy holder would experience if the filing is approved  %
- Maximum Rate Change: The largest premium increase, by percentage, that any one policy holder would experience if the filing is approved  %

Individuals within the group may vary from the aggregate of the above increase components as a result of:

Product selection, changes in age factors, and changes in family composition.

### Financial Experience of Product

The overall financial experience of the product includes:

In 2018, a total of \$20.1 million in premium was collected and \$16.5 million in claims were paid out, along with \$2.6 million paid in risk adjustment, for a loss ratio of 95.0%. However, the rate increase of the product is driven partially by the combined Individual and Small group experience, which collected \$210.3 million in premium and paid out \$160.8 million in claims and paid \$8.2 million in risk adjustment for a loss ratio of 80.4%.

The rate increase will affect the projected financial experience of the product by:

The proposed rate increases are aimed to bring the combined loss ratio for Individual/Small Group to a projected 80.5%.



## Components of Increase

The request is made up of the following components:

|   |              |                             |
|---|--------------|-----------------------------|
| <b>Trend Increases –</b>  | 7.5 % of the | 7.7 % total filed increase  |
| 1. Medical Utilization Changes –Defined as the increase in total plan claim costs not attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts. Examples include changes in the mix of services utilized, or an increase/decrease in the frequency of service utilization. |              |                             |
| This component is   | 4.3 % of the | 7.7 % total filed increase. |
| 2. Medical Price Changes – Defined as the increase in total plan claim costs attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts.   |              |                             |
| This component is   | 3.1 % of the | 7.7 % total filed increase. |

|  |               |                             |
|--|---------------|-----------------------------|
| <b>Other Increases –</b>   | 0.2 % of the  | 7.7 % total filed increase  |
| 1. Medical Benefit Changes Required by Law – Defined as any new mandated plan benefit changes, as mandated by either State or Federal Regulation.  |               |                             |
| This component is  | 0.0 % of the  | 7.7 % total filed increase. |
| 2. Medical Benefit Changes Not Required by Law – Defined as changes in plan benefit design made by the company, which are not required by either State or Federal Regulation.  |               |                             |
| This component is  | 0.1 % of the  | 7.7 % total filed increase. |
| 3. Changes to Administration Costs – Defined as increases in the costs of providing insurance coverage. Examples include claims payment expenses, distribution costs, taxes, and general business expenses such as rent, salaries, and overhead. |               |                             |
| This component is  | 2.9 % of the  | 7.7 % total filed increase. |
| 4. Changes to Profit Margin – Defined as increases to company surplus or changes as an additional margin to cover the risk of the company.   |               |                             |
| This component is  | 1.1 % of the  | 7.7 % total filed increase. |
| 5. Other – Defined as:   |               |                             |
| Lower anticipated risk adjustment payments.  |               |                             |
| This component is  | -3.8 % of the | 7.7 % total filed increase. |